Those Mining Prodigies! (Page 15)

# THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

Largest Circulation of All Canadian Financial Papers

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## The Nation's Business

- Way Clear for New Wheat Policy
- Aberhart Covenant Strikes Lofty Note
- Roosevelt Visionary on Power Development

### Clearing Wheat Decks

DROUGHT and aggressive selling have combined to solve Canada's wheat problem. The great surplus which continued to accumulate during good harvest and poor over the last five years has now largely moved out to a hungry world. In less than six months a normal situation is again expected to prevail.

Last December, James R. Murray was appointed chairman of the Canadian Wheat Board. He was instructed to sell wheat but not to sacrifice it. How successfully he has accomplished this task, aided it is true by unforeseen droughts in the Argentine, United States and our own West, is told in a feature article elsewhere in this issue.

With the disappearance of this unwieldy wheat surplus a weight has been lifted from world markets. Henceforth the new crops will be appraised on current demand and not on the possibility of this country unloading grain which has been held over from harvests of two, three or even four years previously.

With such an uncertain but always depressing influence absent, the individual farmer will again be free to make his own decisions. He can extend or contract his acreage, turn more or less to coarse grains or other livestock feed, or to mixed farming.

* * *

SO LONG as Canada held the equivalent of a fair-sized crop off the market, there was little opportunity to take stock. The country was definitely committed to a two-faced wheat policy. One to grow wheat and sell it; the other to sell or hold old wheat. Each competed with the other. Now the decks have been cleared and it is again possible to estimate how much wheat the world can consume and what the world is prepared to pay for it.

At least Canada now realizes there is a point above which the world cannot be forced to buy but will turn to substitute products or lower grade and cheaper wheat elsewhere available. But export sales in the last few months have also demonstrated that the world is prepared to accept Canadian wheat and in heavy volume provided it is offered on a par with that from other producing countries.

The way is now paved for the solving of that larger problem—Canada's permanent position in the wheat-growing countries of the world.

* * *

### Economic Heaven

IN 1934 some newspapermen were chatting in the White House prior to a press conference with President Roosevelt. In the group was Sir Wilmott Lewis, famed American representative of the London Times.

Someone asked him his opinion of N.R.A., then at the peak of its influence. He said: "I see no reason to change the view I expressed when N.R.A. was first introduced. That is—it's too great a strain on human nature."

This neat, prophetic phrase seems to describe exactly the so-called "covenant" announced last week from Alberta as the latest step toward a social credit heaven. No one is obliged to "register" and sign the "covenant" says leader Aberhart blandly—but the inference is that if you don't, you automatically withdraw yourself from the elect who hope shortly to enter the Promised Land of "Twenty-five-a-Month-for-Nothing."

Those who do sign on the dotted line pledge themselves to hereafter live the sort of idyllic economic life that has been envisaged by spiritual leaders since the dawn of civilization and which (apparently) Premier Aberhart believes has at last arrived in Alberta.

The sort of life where each will "co-operate most heartily in providing food, shelter and clothing for every one of us."

The sort of life where each promises to "work whenever possible" and to receive remuneration in "Alberta credit as far as I can reasonably do so."

The sort of life where Gresham's law will no longer operate since citizens promise "to make no claim or demand at any time for payment in Canadian currency of Alberta credit held by me."

The sort of life where governments will no longer be pressed to meet their obligations since taxpayers are to covenant "to tender no Alberta credit in payment of provincial taxes, licenses, royalties, fines, etc., until such time as the government shall be able to accept all or part on the taxes, etc."

It all sounds very nice, Mr. Aberhart. Very much like heaven to be sure. Yet most of us will still bet our money with Sir Wilmott Lewis

(Continued on page 2, col. 4)

# $42.50 Newsprint Awkward Barrier To Higher Price

## Great Northern Deal Affects Contracts on Wide Basis

### ROTHERMERE'S DUE?

It is conceded in the newsprint industry that the price of $42.50 a ton established for its 1937 deliveries of newsprint by Great Northern Paper Co., this week, is an awkward barrier to obtaining any higher price, much less the $45 a ton which was the hope of many Canadian mills.

The increase of $1.50 a ton, however, may not necessarily mean that no Canadian producer will be able to get any better price.

The test that may ensue is whether the heavy increase in demand for newsprint in the United States has altered conditions sufficiently to enable Canadian producers to get away from yielding to the lowest price quoted by any mill; possibly whether Canadian mills will be able to obtain a better price than U.S. newsprint mills.

**Agree to $42.50 Price**

Great Northern Paper Co. is the largest newspaper producer in the United States and announced it was offering to contract with its customers for 1937 deliveries at an increase of $1.50 a ton, f.o.b. destination, over the 1936 price of $41. W. G. Chandler, general business manager of Scripps-Howard newspapers, announced agreement with the new price and that his papers were extending their contract for another year.

The belief in newsprint circles is that U.S. publishing interests were startled by the revelation in The Financial Post last week of the suggestion of Lord Rothermere, British publisher and also big investor in newsprint securities, that the price should be $50 a ton, f.o.b. mills. This would mean a figure of about $57 delivered.

**Sharp Disagreement**

Readers will recall that Mr. Chandler, in his rôle as chairman of the newsprint committee of the American Newspaper Publishers Association, commented to The Post on the Rothermere suggestion: "With all due respect to Lord Rothermere, he is speaking as an investor and stock market operator and not as a

(Continued on page 2 col. 6)

## *Wheat Estimates Are Cut Again*

From Our Own Correspondent

WINNIPEG. — Continued heat and drought throughout many sections of western Canada have caused further lowering of crop estimates. These have been revised from an expected 250 million a week or two ago to not much more than 200. Indeed some recent estimates have placed the total below 200 million bushels. The area of near and complete failure has gradually widened.

Damage to coarse grains makes certain an acute shortage of livestock feed, though late rains may improve pastures and hay sufficiently to delay expected liquidation or wholesale removal of starving cattle. Supplies of hay in northern sections of the 3 provinces, however, are larger than expected.

## "Pete" Slump Due to Selling In Small Lots

### Company's Progress Unchanged; Scare in Lawsuit

### PRODUCTION HIGHER

Weakness in shares of International Petroleum Co. which has driven them below $34 to the lowest levels of this year is attributed to the lawsuit of the Venezuelan government for some $14 millions of taxes claimed to be in arrears, against Pantepec Oil Co., Creole Petroleum, and Gulf Oil Co.

Since International Petroleum is not involved in Venezuelan petroleum to more than a minute extent and is not involved in the claims at all; there is some feeling in well-informed quarters that the selling of International Petroleum shares has been ill-advised.

**Scattered Selling**

It is reported reliably from New York that the selling has not come from any important source but has been in small lots from individual investors and speculators all over the United States. There has been little tendency to liquidation in Canada because reports of the lawsuit have not been circulated as widely here. Expectations of those experienced in South American affairs are that the tax claims against U.S. firms will be settled for comparatively modest sums.

It will be recalled that in the past year or so sales of large blocks of International Petroleum shares have been negotiated privately, but in the current instance there appears to be no organized liquidation.

**Situation Unchanged**

As far as operations of International Petroleum Co. itself are concerned there is no important change to warrant liquidation. The dividend rate continues at $1.50 a share plus $1 a share in "extras." This compares with earnings of $1.49 a share in the year ended June 30, 1935. These earnings are believed to have been stated conservatively and there is some expectation improvement will be shown for the year ended June 30, 1936. No official information is forthcoming yet on this point, however.

It has been the expectation in well-informed quarters that eventually the company would be able to earn the full $2.50 a share being paid in dividends. Meanwhile, payments in excess of earnings can be made for several years because of large liquid resources.

**Production High**

The company's daily average production for the first half of 1936 was 90,887 barrels, and the rate for both May and June was over 93,000 barrels daily. This compares with the daily average of 88,643 barrels in 1935 and 86,222 for 1934. More important still, the U.S. price of crude petroleum is $1.10 a barrel this year against $1 in 1935 and contrasts with much lower prices in 1934 and 1933.

## *Retail Trade Strong in June*

Retail sales showed substantial gains in Canada during June, according to monthly figures released by the Dominion Bureau of Statistics this week.

After allowance for the number of business days and for seasonal fluctuations, the bureau's index rose 1.6% from the previous month and now stands 4.7% above corresponding figures a year ago. With the exception of December the index is at the highest point since May, 1932.

Leading the parade was a 24% jump in hardware sales. Other groups making substantial increases were: music and radio stores—17.9%; furniture—10%; groceries and meats—9.3%; variety stores—8.7%. The gains in each case represent percentage increase over the same month last year. Other comparative changes are shown below.

The index is compiled from returns furnished by 37 departmental firms and 169 chains comprising more than 3,300 stores.

|  |  | —Change— |  |
|---|---|---|---|
|  | June | From prev. period % | From prev. year % |
| **Monthly:** |  |  |  |
| Newsprint exp., tons. | 576,177 | +123 | +153 |
| Cattle sales ..... No. | 64,835 | +0.6 | +40 |
| Hog sales ...... No. | 79,042 | +5 | +33 |
| Raw rubber, imp., lb. | 4,574,180 | +8 | +42 |
| **Retail Trade (Index numbers):** |  |  |  |
| Boots & shoes | 81.2 | —3 | +1 |
| Candy | 60.9 | +5 | —0.2 |
| Men's clothing | 64.3 | —3 | +1 |
| Women's clothing | 59.0 | —3 | +4 |
| Departmental | 74.0 | ... | —1 |
| Drugs | 72.8 | —3 | +3 |
| Dyers & cleaners | 81.8 | —6 | —1 |
| Furniture | 78.1 | +3 | +10 |
| Groceries & meats | 75.3 | +6 | +9 |
| Hardware | 96.2 | +9 | +24 |
| Music & radio | 51.3 | +15 | +17.9 |
| Restaurants | 53.4 | +2 | +6 |
| Variety | 90.9 | +7 | +8 |
| General index | 74.1 | +1 | +4 |
| **Weekly:** |  |  |  |
| Car loadings .... No. | 44,706 | —1 | +3 |
| Cattle sales ..... No. | 15,875 | +2 | +17 |
| Hog sales ...... No. | 16,718 | +1 | +15 |

## *Transatlantic Tests Still a Possibility*

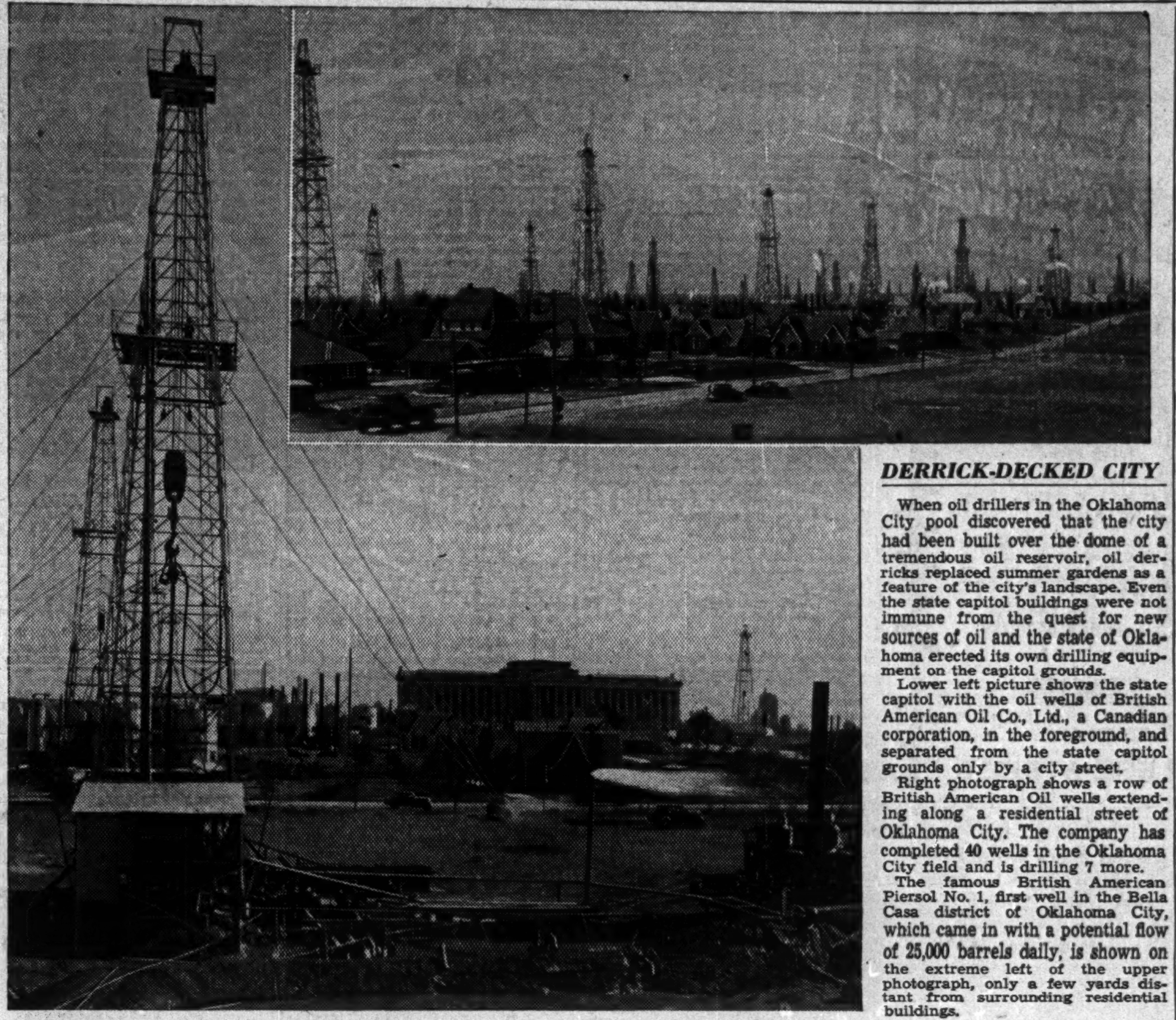
From Our Own Correspondent

OTTAWA.—There is still a possibility that test flights over the North Atlantic may be made late this summer in preparation for the opening of a regular commercial air service between Britain and Canada.

The authorities here originally expected that ten or a dozen survey flights would be made in July and August of this year, in anticipation of the service which Imperial Airways, in co-operation with the governments of Canada, Ireland and Newfoundland, expect to open in 1937.

Some obstacles have been encountered in the way of these trial flights, and the Ottawa departments are waiting definite word from the other side as to whether any will still be attempted. As the best of the flying weather will soon be over, the prospect does not look so bright as it did, according to the view here.

The announcement made last week both in Britain and Canada said that preliminary flights would be conducted by Imperial Airways, and that in addition Pan-American Airways would co-operate in the tests. Both companies are said to be experiencing some difficulty getting prompt delivery of commercial planes because of the armament activity in Europe.



### *DERRICK-DECKED CITY*

When oil drillers in the Oklahoma City pool discovered that the city had been built over the dome of a tremendous oil reservoir, oil derricks replaced summer gardens as a feature of the city's landscape. Even the state capitol buildings were not immune from the quest for new sources of oil and the state of Oklahoma erected its own drilling equipment on the capitol grounds.

Lower left picture shows the state capitol with the oil wells of British American Oil Co., Ltd., a Canadian corporation, in the foreground, and separated from the state capitol grounds only by a city street.

Right photograph shows a row of British American Oil wells extending along a residential street of Oklahoma City. The company has completed 40 wells in the Oklahoma City field and is drilling 7 more.

The famous British American Piersol No. 1, first well in the Bella Casa district of Oklahoma City, which came in with a potential flow of 25,000 barrels daily, is shown on the extreme left of the upper photograph, only a few yards distant from surrounding residential buildings.

## *Boiler Room Operators On Isolated Phones Now*

### Hounded by Investigators, They Adopt New Tactics

Ontario Securities Commission investigators are on the trail of a new racket. The boiler rooms with their batteries of telephones by means of which high pressure operators sold worthless stocks far and near no longer exist except for selling stock to people living outside Ontario. But the old operators are now re-establishing themselves in a form which is more dangerous and much harder to detect.

No criminal investigator could overlook the old-fashioned boiler room. But now the same work goes on from a number of telephones installed in widely separated offices and houses. Whatever organization there is proceeds underneath the surface, and it would be difficult for any but an insider to know that connected boiler room activities go on over a telephone in a small house on a back street, a few telephones in dingy offices in cheap renting office buildings, a telephone rented from a bona fide user for certain hours of the day and a warehouse which might otherwise be able to get along without a telephone.

**Closes 2 Boiler Rooms**

The Bell Telephone Co. has shown itself more than willing to take out any telephones which investigators discover to be used for defrauding the public. Under the new system of "working the public" it is not called on to take out so many 'phones and a high pressure telephone can be rooted out here and there without destroying the organization. Rooted out one place they reappear in another. The thieves are becoming cleverer in giving seeming compliance with the law so that they will operate a longer time undisturbed. Securities Commission officials are convinced, however, that so far as Ontario citizens are concerned, they have reduced the high pressure telephone activities to a minimum.

Last week, J. M. Godfrey, Ontario Securities Commissioner, ordered 2 boiler rooms closed, one in Niagara Falls and the other in Windsor. Col. D. F. Pidgeon, who investigated the Windsor boiler room, is chief investigator. These were large boiler rooms which did not sell stock to Ontario citizens at all. There is no law, federal or state, in the United States against selling stock by telephone. It is therefore difficult to create an international organization which will curb this form of boiler room activity. If the Securities & Exchange Commission were to discover in its investigations on the United States side of the line that sales by this method were actually fraudulent, doubtless action could be and would be taken in Ontario.

**Hiding the Source**

The sellers by long distance, however, are becoming past masters at the art of disguising the source of the misrepresentation. It is easy to discover that the fraud was attempted but it is often difficult to say just who was guilty. By acting promptly on every case reported to the Commission, it is probable that it has become more difficult to make money by the old methods because the operators know they may be discovered at any moment.

An amusing aspect of the activities of the Securities Commission in suppressing highly colored and men-

(Continued on page 2, col. 7)

## *Canada Bud Sales Up 17%*

Sales of Canada Bud Breweries in the first 6 months of 1936 showed an increase of 17% over the 1935 period.

This compares with an increase in sales of beer throughout Ontario by all companies of about 4%.

The company specializes in bottled beer, only about 25% of sales being bulk product. The obvious deduction is that its sales increase is cutting into sales of bottled beer by other companies.

July sales have also shown a substantial increase. The best profits of the year are made in July and August. It is expected that high summer earnings will more than compensate for the difference between the dividend of 40 cents a share paid July 20 and earnings of 31.6 cents a share for the first 6 months. Results for the first half year are tabulated on page 2.

## No Guinness Funds Placed In Vancouver Development

Finances for the new West Vancouver development being opened by erection of the Lions Gate bridge are being provided by a London group represented by Rt. Hon. Lord Southborough, according to an announcement by the management of British Pacific Properties Ltd.

A. J. T. Taylor, president of British Pacific Properties and the First Narrows Bridge Co. Ltd. denies that cost of the West Vancouver development is being provided by the Guinness interests in Great Britain, none of whom has invested in the project either as shareholder or debenture holder.

## *Link Trade Pact Talk With Roosevelt Visit*

From Our Own Correspondent

OTTAWA. — President Roosevelt and Premier Mackenzie King are believed to have discussed at some length last week the manner in which the United States trade agreement is working out, and to have aired some suggestions for amendments and extensions of it in the early future.

Prospects for ratification of the St. Lawrence waterway scheme by the United States Senate and the possibility of Canadian participation of the harnessing of Fundy tides in the Passamoquoddy Bay development were also reported to be on the agenda.

Premier Mackenzie King declined to reveal what the tangible results of the afternoon conversation were.

Commentators were inclined to view the visit of President Roosevelt mainly in its aspect of a friendly call, coming as a debt of courtesy from a man who had for many years spent his vacation in Canada. But they did not lose sight of the effect upon a troubled world of the representatives of the 2 Anglo-Saxon countries reiterating the warmest expressions of sympathy and co-operation.

It was believed here that Premier King would refer to the incident if a suitable opportunity occurred at Geneva, when he leads Canada's delegation to the League of Nations Assembly.

The sight of 2 great North American countries renewing pledges of peace and mutual understanding at this time is one which the Canadian prime minister regards as highly significant. It was on November 11 last, when the world was remembering the last conflict, that Premier King and President Roosevelt saw fit to announce that a satisfactory trade agreement had been worked out between the 2 countries.

**Listed Starts in Saguenay**

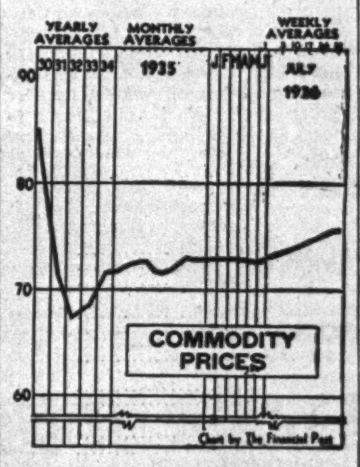
Preferred shares of Saguenay Power Co. Ltd. were called for trading on the Toronto and Montreal stock exchanges August 5. The issue consists of 50,000 $100 par 5½% cumulative shares, authorized and outstanding. Ticker abbreviation at Toronto and Montreal is SGU.

## Mining Corp. Busy In Quebec Areas

Mining Corp. of Canada is drilling 2 gold prospects in northwestern Quebec, one being the Harricana property in the Sigma-Lamaque area, and the other on Gwillam Lake in the Chibougamau area, J. H. C. Waite reports. The corporation is also actively prospecting a group of 59 claims in the Father Lake area. Another group has been staked for the corporation in the Senneville district, and will be prospected during the season. It is also stated that an option has been taken on the treasury shares of Bidlamaque Gold Mines, and this property will be explored by diamond drilling in the near future.

Reporting on its subsidiaries, Mining Corp. states that at Ashley Gold Mines tons milled in the 6 months ended June 30 amounted to 20,639, yielding bullion valued at $165,965. Operating expenses, including development totalled $157,605.

At Laguna Mine at Herb Lake, Manitoba, a 50-ton mill has been installed, as previously reported in The Financial Post.



### *COMMODITY PRICES*

Wholesale commodity prices continued to advance in the week ended July 31, according to the Dominion Bureau of Statistics, rising to 75.4 from 74.7 in the previous week.

## Highlights

### *New Bond Peaks*

Advance of high-grade bond list to record high levels creates new problems for investors, but strengthening influences persist. Page 16

### *Wheat Moves*

Canada's vast carryover disappears while decks are cleared for new crop, new demand and a new policy. A special review on Page 9

### *Great Lakes Paper*

Operations at almost 100% capacity and reduced costs may permit payment of bond interest within a year. Page 10

### *Bank Investments*

Canadian chartered banks' funds moving into securities on larger scale. Page 11

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### MONTREAL STOCKS ACTIVE

Transactions on the Montreal Stock Exchange and the Montreal Curb Market in July totalled 6,375,690 shares, an increase of 2,000,895 shares over June. Compared with July a year ago the month's volume represents a gain of [illegible] shares.

# Further Gain In Chain Sales Seen for 1936

## Canadian Grocer Estimate Puts Grocery, Meat Total at $105 Millions

### BULK IS IN EAST

A further increase in sales of food chains in Canada in 1936 as well as among voluntary group and independents is forecast by Canadian Grocer in a special article estimating chain store sales in Canada for the current year. Total chain store sales in grocery and meats for the year is forecast at $105 millions. Of this meat volume is placed at approximately $20 millions and grocery sales at $85 millions.

**Reason For Increase**

Considerable of this increase in chain sales, says Canadian Grocer, will be due to the fact that more retailers are gradually getting into the chain category—local merchants who started with one store and who gradually developed so that today they have 5 or more stores. It also points out that the volume of grocery chain stores has, it is believed, about reached the limit at about 33% of the total.

In other words, retailers in voluntary chains and straight independents are now securing approximately 67% of the business and will likely maintain this for several years.

**Eastern Canada Chains**

"It is estimated there are some 1,465 grocery and combination chains in eastern Canada with a 1936 business totalling $75,740,000," says Canadian Grocer. "The largest in point of sales is Dominion Stores Ltd., operating nearly 500 stores with an estimate of $19,100,000 this year. This firm's business has been increasing of late following a few years of reduced volume. Loblaw Groceterias Co. is placed second on the list with 111 stores and an estimated volume this year of $16,500,000. Then come Atlantic & Pacific Tea Co., Stop and Shop Limited, Thrift Stores, Wm. Carroll Ltd., M. & P. Stores.

**Western Leaders**

"In Western Canada, Safeway Stores and Piggly Wiggly head the list with approximately 250 stores doing a volume of more than $12,000,000. The latter is controlled by the former but the units are operated separately. The Hudson's Bay

(Continued on page 2, col. 3)

# B. A. Oil Co.'s $300,000 Unit Now Complete

## New Absorption Plant Is Part of Systematic Programme

With an operating capacity of between 60 and 70 million cubic feet daily, the new $300,000 absorption plant of the British American Oil Co. in the southern part of the Turner Valley was officially opened recently. F. A. Gaby, Toronto, executive vice-president of the company, and G. E. Watt, production manager, Calgary, were present.

The new absorption plant will be operated with natural gas from Highwood Sarcee wells Nos. 1 and 2; Mar Jon, and Sovereign Royalties, all in the southern part of the valley.

The spectacular blowing in of Turner Valley Royalties in the southwest flank of Turner Valley, as a substantial crude oil producer, has justified the faith of Alberta oil men in the potentialities of this field. The financial support accorded producing companies in Turner Valley by British American Oil and the construction of this new absorption plant is regarded as an evidence of the company's confidence in the natural resources of Alberta. The Turner Valley plant marks the third major step of the British American Oil Company in the past 3 years toward making its western division a self-supporting industry—from the mineral resources to the finished product for public consumption.

**Part of Plan**

In 1934 the company erected a new refinery, regarded as one of the most modern units on the continent, at Moose Jaw. The same year the company purchased the Coutts refinery of the North West Stellarene Company and completed the work of improving and modernizing this plant.

The absorption plant has been built with a capacity sufficient to meet the needs of this area for some time to come. It has taken 5 months to complete, with the employment of an average of over 100 during the period.

An operating staff of 20 men will be required on full time when the plant is in operation, under the superintendence of a western engineer, C. H. Lambert, who was formerly associated with the Coutts refinery of the company, and prior to that with the Stellarene refinery.

MEN'S SHOP

LET IT RAIN . . .

But by all means wear a raincoat to protect your expensive suits! The Men's Shop, EATON'S - College Street, features a splendid range of English and domestic water-proofs and trench coats.

All-wool gabardine waterproofs by Burberry of England, $45.00 each.

All-wool English gabardine trench coats, $45.00 each.

Light-weight English showerproof coats, in popular slip-on style, blue and tan shades, $22.50 each.

Other raincoats from $4.95 to $45.00. Sizes 36 to 44.

Purchases of clothing amounting to $15.00 or more may be made on EATON'S Budget Plan, if you wish.

FREE PARKING
WHILE SHOPPING

MEN'S SHOP
BAY STREET SECTION
EATON'S - COLLEGE STREET

## United Fuel Reorganization Has Yet To Be Worked Out

Details of the capital reorganization of United Fuel Investments Ltd., referred to in the annual statement have yet to be worked out, president S. A. Morse told shareholders at the recent annual meeting at Hamilton.

Increased number of gas customers in Hamilton and prospects for higher prices for coke are favorable indications for the coming year, shareholders were informed. In explaining stable earnings in the last 3 years, it was stated increased cost of laid-down coal was offset by operating economies. Refunding of subsidiaries' bonds will save $60,000 annually in interest charges.

A quantity of Nova Scotia coal is being used this year, replacing shipments from U. S. mines.

## St. Lawrence Paper Mills Civic Tax Suit Is Adjudged

From Our Own Correspondent

MONTREAL. — St. Lawrence Paper Mills has been ordered by the court to pay the City of Three Rivers, $31,363 for taxes due 3 years ago. The city sought payment of $50,294 for municipal taxes imposed in 1933. The court ordered full payment of paving and property taxes, but refused a claim for a highway levy.

## Motor Car Registrations Well Up in Newfoundland

Despite a poor fishery last season, 428 more motor vehicles have been licensed in Newfoundland this year than in the corresponding period of 1935. Most of the increase is attributed to passenger cars which number 3,140 compared with 2,887 last year. Commercial vehicles at 830 show an advance from 655.

## United Steel Holders Approve B Conversion

Shareholders of United Steel Corp., Toronto, at a special meeting July 29, approved by-laws allowing conversion of the class B preference shares, one share for 35 common shares. They also approved the necessary increase of common shares to allow the conversion.

Following conversion of the class B shares, and redemption of half the first mortgage bonds, the company will have the following capital outstanding:

$149,500 of 6% first mortgage bonds.

$824,000 of class A preferred stock.

370,110 common shares of no par value.

## National Biscuit Earns 42c a Share in Quarter

Net profits of National Biscuit Co. for the quarter ended June 30, 1936, were $3,087,619 after depreciation, federal taxes and other charges. This is 42 cents a share on the common and compares with $2,917,123 for the first quarter of this year.

For the first half of 1936, net profits were $6,004,742, equal to 81 cents a share on the common stock. This compares with $4,233,883, or 53 cents a share, in the first half of 1935.

### Metal Prices

New York—Aug. 4—
**Copper:** Electrolytic spot and future, $9.75.
**Silver:** 44¾c.
London—Aug. 4—
(Long Ton)—
**Copper:** Electrolytic spot, bid, £42; asked, £42 10s. Standard spot, £38 3s. 9d.; future, £38 8s. 9d.
**Tin**—Spot, £185 5s.; future, $182 5s.
**Lead:** Spot, £16 7s. 6d.; future, £16 10s.
**Zinc:** Spot, £13 17s. 6d.; future, £14 2s. 6d.
**Gold:** 138s. 7½d.
**Silver:** 19½d.
Canada—Aug. 4—
**Gold:** $34.79.

Refunding Issue

SISTERS OF CHARITY OF QUEBEC
(Les Soeurs de la Charité de Québec)

4% first mortgage bonds

Dated June 1, 1936 Maturing semi-annually from June 1, 1938 to December 1, 1951.

Principal and semi-annual interest (June 1 and December 1) payable in Montreal and Quebec. Callable as a whole or in part, on any interest date, on 60 days' notice, at 101 up to December 1, 1946 incl., and at par thereafter. Denominations: $1,000 and $500.

Trustee: Administration & Trust Company

Legal Opinion: Messrs. St-Laurent, Gagné, Devlin & Taschereau, of Quebec.

Legal investment for life insurance Companies in Canada.

PURPOSE OF ISSUE.—La Communauté des Soeurs de la Charité de Québec, also known as the Grey Nuns of Quebec, have recently acquired l'Hôpital du St-Sacrement in Quebec, the internal management of which had been in their care since its inception in 1925. The proceeds of the present issue will be used to reimburse at maturity on December 1, 1936, $1,500,000 5½% first mortgage bonds of l'Hôpital du St-Sacrement, issued in 1926.

SECURITY.—The new issue of $1,500,000 4% bonds will constitute a direct obligation of the Community as a whole and will be specifically secured by a first mortgage on l'Hôpital du St-Sacrement in Quebec, carrying a value, with the land, of $1,640,000 and on l'Orphelinat d'Youville, in Giffard (near Quebec), estimated at $500,000 (after depreciation, in both cases).

PRICE: 101 plus accrued interest

L.-G. BEAUBIEN & Co., LIMITED
25 King Street West
Montreal TORONTO Paris (France)
Quebec Trois-Rivières Ottawa

# Further Gains In Sales Seen

(Continued from page 1)

Co., with headquarters in Winnipeg also has a big grocery volume in western Canada, other large chains being The T. Eaton Co.; Jenkins Groceterias of Calgary; O. K. Economy Stores of Saskatoon; Neal Stores Ltd., Winnipeg; Overwaitea Ltd. of Vancouver; London Grocery and Provision Stores, Vancouver, etc.

Estimates of 1936 Chain Sales follow:
(Compiled by Canadian Grocer)

| Eastern Canada: | Approx. No. of Stores | Estimated Sales, 1936 $ |
|---|---|---|
| Dominion Stores Ltd., Toronto & Montreal | 497 | 19,100,000 |
| Loblaw Groceterias, Toronto | 110 | 16,500,000 |
| Atlantic & Pacific Tea Co., Toronto | 275 | 13,000,000 |
| Stop & Shop, Toronto and Montreal | 110 | 6,000,000 |
| Thrift Stores, Montreal | 71 | 4,500,000 |
| Wm. Carroll Ltd., Hamilton | 110 | 2,230,000 |
| M. & P. Stores, Windsor, Ont. | 61 | 2,000,000 |
| T. Eaton Co., Ontario stores | 24 | 3,100,000 |
| T. Eaton Co., Quebec stores | 4 | |
| Canadian Stores Ltd. (Eaton's), Halifax, N.S. | 24 | 1,300,000 |
| Steinberg's, Montreal | 15 | 1,500,000 |
| Acadia Stores, Halifax, N.S. | 17 | 700,000 |
| Miracle Marketerias, Toronto | 5 | 400,000 |
| Thomson Groceries, Toronto | 9 | 270,000 |
| Haboco Stores, Peterboro, Ont. | 9 | 300,000 |
| Sterling Stores, Halifax, N.S. | 12 | 360,000 |
| Barkers Stores, New Glasgow, N.S. | 8 | 430,000 |
| Quality Groceterias, Hamilton | 6 | 750,000 |
| Quality Food Stores, Toronto | 5 | 300,000 |
| Cash & Carry Stores, Campbellton, N.B. | 14 | 3,000,000 |
| Powell & Co., Dundas, Ont. | 8 | |
| E. F. Mason Stores, Peterborough, Ont. | 7 | |
| Fitzpatrick & Geraghty, Peterborough, Ont. | 6 | |
| Corkum & Ritcey, Halifax, N.S. | 8 | |
| The "2" Barkers, Saint John, N.B. | 5 | |
| International Provision Co., Halifax, N.S. | 6 | |
| J. C. Pinch Ltd., Sault Ste. Marie, Ont. | 5 | |
| E. Luckin Stores, Belleville, Ont. | 5 | |
| Cremerie Papine, Montreal | 8 | |
| Buywell Food Markets, Montreal | 5 | |
| F. T. Hill & Co., Markdale, Ont. | 5 | |
| Hickman's Stores, Ottawa | 5 | |
| Baileys Warehouse Stores, London | 5 | |
| Total, Eastern Canada | 1,464 | 75,740,000 |
| Western Canada: | | |
| Safeway Stores, Vancouver | 186 | 12,300,000 |
| Piggly Wiggly, Vancouver | 67 | |
| Hudson's Bay Co., Winnipeg | 10 | 4,900,000 |
| McBrides Ltd., Regina | 50 | 2,000,000 |
| Jenkins Groceterias, Calgary | 37 | 1,600,000 |
| O.K. Economy Stores, Saskatoon | 37 | 950,000 |
| T. Eaton Co., Winnipeg | 19 | 2,500,000 |
| Neal Stores Ltd., Winnipeg | 27 | 600,000 |
| Overwaitea Ltd., Vancouver | 30 | 700,000 |
| London Grocery & Provision Store, Vancouver | 14 | 560,000 |
| Shoprite Stores, Calgary | 8 | 280,000 |
| Harry Tait Groceterias, Edmonton | 6 | 250,000 |
| Superior Stores, Vancouver | 14 | 2,500,000 |
| Wilbee's Service Stores, Vancouver | 14 | |
| B. & K. Economy Stores, Vancouver | 14 | |
| Leonard Batchelor, Victoria | 11 | |
| Curry's Grocery, Vancouver | 5 | |
| Elliott's Grocery Stores Ltd., Vancouver | 7 | |
| Jewell Stores, Winnipeg | 7 | |
| Nu-Way Stores, Edmonton | 7 | |
| Tom Little Stores, North Vancouver | 5 | |
| Model Self-Service Stores, Vancouver | 7 | |
| Wallace Marketerias, Vancouver | 5 | |
| Total, Western Canada | 587 | 29,120,000 |
| Total, Eastern Canada | 1,465 | 75,740,000 |
| Grand total | 2,051 | 104,860,000 |
| Estimated volume of meats | | 20,000,000 |
| Estimated grocery sales | | 84,860,000 |

# The Nation's Business

(Continued from page 1)

when he says: "It's too great a strain on human nature."

* * *

### Roosevelt and Canada

PRIOR to his first official visit to Canada last week, President Roosevelt announced to newspapermen that two subjects he planned to discuss here were the St. Lawrence Waterway development and the mutual development of hydro-electric power. The power discussion, he intimated, was closely connected with his pet scheme for harnessing the tides at Passamaquoddy and also the joint use by Canada and the United States of power developed in the St. Lawrence. Press dispatches quote the president as saying that "if Canada should ever start developing its side of Quoddy, the dream of the future would naturally be a free export of surplus power between that country and the United States."

Taking the president at his word it is obvious that he would like to hasten the day when Canada and the United States not only harness for hydro-electric purposes the eastern waterways, but also that Canada should make available for export the surplus power that might be generated in this way. In the event of Mr. Roosevelt being re-elected this November, that day might not be very far distant—as far as Mr. Roosevelt is concerned.

* * *

FROM Canada's point of view there are two very important considerations involved. First the broad question of power export; second, the question of cost.

Power export is an old-timer and one on which this paper has always taken a definite stand. In short, while it is easy and profitable for Canada to export her power in times of surplus capacity, the prospect of reclaiming that commodity at some distant date in the future is fraught with such grave doubts as to make the whole business too risky for this nation to practise on any major scale.

As to costs, one has only to review the St. Lawrence Treaty of a few years ago to realize that the crux, financially, lies in Ontario's willingness and ability to spend $100 or $120 millions in a new power project. At the moment there is neither willingness nor ability, which means that if President Roosevelt wants a St. Lawrence treaty he will either have to get Ottawa to put up a larger ante in place of Ontario or else he will have to spend an even larger amount on behalf of the United States.

* * *

PERHAPS Mr. Roosevelt would be willing to suggest to Congress that an even greater part of this cost be supplied by the U. S. A., for Mr. Roosevelt is a man of broad vision and in addition is an extravagant man. Just this week The Sphere, of Washington (a monthly magazine of fairly broad views, published by Whaley-Eaton Service) makes this biting comment on Mr. Roosevelt's extravagance:

It says:

> "He is the most extravagant ruler known to recorded history. Not even Solomon, who left the people of his country impoverished, could hold a candle to him. He has dipped into the stored reserves of the nation—those reserves which were created by the sweat and blood of men and women—and he has squandered them like a prodigal.
>
> "Nor has that contented him. He has 'dipt into the future far as human eye could see' and mortgaged everything in sight. He has raided the integrity of every insurance policy in the United States. He has flung the shadow of a possible inflation, worse than a pestilence, over every hearthstone in the country. For every one person to whom he could possibly promise economic security, he deprived ten of that security."

It might be easy for a country like Canada to be swept away with the vision and enthusiasm of a leader such as President Roosevelt. It would be safer if we were to stick to our own financial knitting and unravel some of the knots already there before embarking on any new and grandiose schemes of international power development no matter how attractive they may appear on the surface.

# Company Reports

## Canada Bud Breweries

Net profits of Canada Bud Breweries Ltd. fell short of the dividend payment for the first 6 months of 1936, by $12,619, but the deficit has no significance in relation to the company's probable results for the fiscal year ending Dec. 31 next.

The 6 months ending June 30 are normally the off-season half year in the brewing industry and since Canada Bud's best business is experienced in July and August results of operations before these months indicate the company should be able to more than meet dividend requirements for the balance of the current year.

Cons. Income and Surplus Account
Six Months Ended June 30

| | 1936 $ |
|---|---|
| Net operating profit | 85,408 |
| Add: Misc. revenue | 669 |
| Dividends received | 17 |
| Total earnings | 86,094 |
| Less: Depreciation | 29,688 |
| Fed. inc. tax | 8,461 |
| Prov. inc. tax | 564 |
| Net profit | 47,331 |
| Less: Dividends | 60,000 |
| Debit for period | 12,619 |
| Add: Prev. surplus | 281,608 |
| Less: Income tax adjust. | 2,375 |
| Surplus forward | 266,614 |

Working Capital

| | June 30 1936 $ | Dec. 31 1935 $ |
|---|---|---|
| Current assets | 567,501 | 498,454 |
| Current liabilities | 277,838 | 195,268 |
| Working capital | 289,663 | 303,186 |

## Soo Line

Minneapolis, St. Paul and Sault Ste. Marie Railway, American subsidiary of the Canadian Pacific Railway, had total revenues during June of $1,295,683 compared with $1,108,070 in the same month last year. After deduction of expenses and making other adjustments, the deficit for the month was $373,641. This is in contrast to a net deficit of $473,408 in June, 1935.

## Great Lakes Power

Great Lakes Power Co., operating at Sault Ste. Marie, reports an increase of 6% in operating revenue for the second quarter of 1936 and a gain of almost 10% for the first half of the year. Operating expenses and taxes did not rise materially, and as interest charges were actually reduced, net profits available for preferred dividends were more than doubled. Surplus of $61,112 for the first half of this year compares with $12,128 in the 1935 period. Comparative figures follow:

Income Statement
3 Months Ended June 30

| | 1936 $ | 1935 $ |
|---|---|---|
| Operating rev. | 212,777 | 200,737 |
| Other income | 6,545 | *511 |
| Less: Exp., taxes | 77,065 | 81,962 |
| Net earnings | 142,257 | 118,264 |
| Less: Bond int. | 19,988 | 22,000 |
| Other interest | 72,953 | 73,435 |
| Net profit | 49,316 | 22,829 |
| Less: Pref. divs. | 13,125 | 13,125 |
| Surplus for period | 36,191 | 9,702 |

6 Months Ended June 30

| | 1936 $ | 1935 $ |
|---|---|---|
| Operating rev. | 423,486 | 385,450 |
| Other income | 6,698 | 528 |
| Less: Exps. taxes | 156,728 | 155,183 |
| Net earnings | 273,456 | 230,795 |
| Less: Bond int. | 41,340 | 45,295 |
| Other interest | 144,764 | 147,122 |
| Net profit | 87,362 | 38,378 |
| Less: Pref. divs. | 26,250 | 26,250 |
| Surplus for period | 61,112 | 12,128 |

*Deduction.

## Can. Investment Fund Ltd.

Improving conditions in the investment markets and a higher rate of income from interest and dividends are reflected in the earnings report of Canadian Investment Fund Ltd. for the 6 months ended June 30, 1936.

Outstanding was the rise in income from interest and investments to $86,120 for the period, but a net profit of $60,734 on sale of securities almost equalled the $69,462 reported for the entire year of 1935.

A total of 30,170 special shares was redeemed and cancelled in the first 6 months of 1936.

Income figures follow:

Income and Surplus Account
Six Months Ended June 30

| | $ 1936 |
|---|---|
| Subscr. to cap. stk. | 1,118 |
| Int. & divids. | 86,120 |
| Prem. on U.S. fds. | 38 |
| Stock divids. sold | ...... |
| Total income | 87,276 |
| Less: Transfer chgs. | 2,493 |
| Gen. expenses | 1,387 |
| Special taxes | ...... |
| Inc. & prof. taxes | 1,780 |
| Legal expenses | 496 |
| Directors' fees | 360 |
| Dom. & prov. tax | 277 |
| Net profit | 80,483 |
| Less: Divids. paid | 75,243 |
| Surplus for period | 5,240 |
| Add: Prev. earned surplus | 45,312 |
| Total earned surplus | 50,552 |
| Add: Rec'd on stk. subscrip. | 353,718 |
| Prev. stk. sub. bal. | 1,918,271 |
| Prof. on sale of inv. | 102,450 |
| Less: Dirs. compen. | 10,641 |
| Manage. compen. | 10,641 |
| Taxes paid | 30 |
| Prem. on stock redeemed | 93,135 |
| Balance forward | 2,310,544 |

## Ontario Steel Products

Ontario Steel Products, Ltd., Gananoque, shows net profit equivalent to $16.60 a share on the 7% preferred stock for the year ended June 30, 1936. This compared with $3.58 a share in the preceding year. The balance sheet shows provision for redemption of the $129,800 6% first mortgage bonds on July 1, and includes a new 5¼% mortgage for $125,000 instead.

The accounts show payment of $1 a share on the preferred on Aug. 15, 1935. This year $1.75 a share is being paid on the same date. While working capital has been increased, it is still considerably below the pre-depression level, and this may influence dividend policy.

President W. Wallace Jones states in the report that further economies have been effected in operations, and that several new lines have been introduced with encouraging results.

Income and Surplus Account
Years Ended June 30

| | 1936 $ | 1935 $ |
|---|---|---|
| Operating profit | 136,274 | 70,619 |
| Add: Inv't. revenue | 11,873 | 9,210 |
| Less: Exec. remun. | 24,225 | *3,965 |
| Other directors' fees | 1,675 | † |
| Legal expenses | 1,271 | † |
| Prov. rev. tax | ...... | 14 |
| Head office exps. | 9,386 | 8,124 |
| Net earnings | 111,590 | 67,726 |
| Less: Deprec. bldgs. | 9,318 | 9,318 |
| Deprec. plant, etc. | 16,920 | 25,880 |
| Bond interest | 8,491 | 9,948 |
| Income tax | 15,000 | 4,100 |
| Bad debts write off | 2,061 | 5,572 |
| Net profit | 59,800 | 12,908 |
| Less: Pref. dividend | 3,603 | ...... |
| Surplus for year | 56,197 | 12,908 |
| Add: Prev. surplus | 93,288 | 48,453 |
| Profit inv'ts. sold | 1,795 | ...... |
| Pension reserve written back | ...... | 34,561 |
| Less: Inc. tax adjt. | 1,761 | 125 |
| Prem. on bonds | 2,091 | ...... |
| Inv't. in subsid. | ...... | 2,529 |
| Surplus forward | 147,428 | 93,288 |

* Fees and expenses only.
† Prior reductions.

Working Capital

| | 1936 | 1935 |
|---|---|---|
| Current assets | 430,725 | 388,103 |
| Current liabilities | 27,875 | 35,886 |
| Working capital | 402,850 | 352,217 |

## Acme Farmers Dairy

Accounts of Acme Farmers Dairy Ltd., show reduced earnings for the year ended March 31, 1936. It should be noted these figures are already included in the statement of Eastern Dairies Ltd., the parent company. After all charges, loss of Acme Farmers Dairy for the last year was equivalent to $4.49 a share on the preferred compared with a profit of $4.63 a share in the preceding year.

*Income and Surplus Account
Years Ended March 31

| | 1936 $ | 1935 $ |
|---|---|---|
| Operating profit | 128,375 | 204,217 |
| Inv't. income | 170 | 100 |
| | 128,545 | 204,317 |
| Less: Debenture int. | 49,000 | 49,000 |
| Execs. remun. | 10,068 | † |
| Legal fees | 522 | † |
| Directors' fees | 160 | 820 |
| Depreciation | 100,201 | 119,757 |
| Tax provision | ...... | 2,313 |
| Net profit | ‡31,406 | 32,427 |
| Add: Prev. surplus | §548,476 | §513,401 |
| Surplus forward | 517,070 | 545,828 |

* Already included in income account of Eastern Dairies Ltd.
† Deducted prior to operating profit.
‡ Loss. § Adjusted.

## Public Utility Earnings

Canada Northern Power

| June: | 1936 $ | 1935 $ |
|---|---|---|
| Gross revenue | 375,044 | 365,398 |
| Oper. expenses | 144,260 | 139,778 |
| Net revenue | 230,784 | 225,620 |
| 6 Mos. end. June: | | |
| Gross revenue | 2,246,983 | 2,159,567 |
| Oper. expenses | 848,011 | 811,920 |
| Net revenue | 1,398,972 | 1,347,647 |

Brazilian Traction

| June: | 1936 $ | 1935 $ | Increase $ |
|---|---|---|---|
| Gross earn. | 2,667,714 | 2,583,175 | 84,539 |
| Expenses | 1,179,237 | 1,158,295 | 20,942 |
| Net earn. | 1,488,477 | 1,424,880 | 63,597 |
| 6 Mos. end. June: | | | |
| Gross earn. | 15,223,475 | 15,212,387 | 11,088 |
| Expenses | 6,932,461 | 7,028,082 | *95,621 |
| Net earn. | 8,291,014 | 8,184,305 | 106,709 |

* Decrease.

Jamaica Public Service

| June: | 1936 $ | 1935 $ |
|---|---|---|
| Gross earnings | 68,400 | 69,299 |
| Net earnings | 25,855 | 27,641 |
| Surplus after charges | 17,221 | 19,014 |
| 12 months end. June 30: | | |
| Gross earnings | 871,638 | 841,139 |
| Net earnings | 351,318 | 343,190 |
| Surplus after charges | 247,377 | 238,221 |

**Paper Dispensers Inc.**, of Chicago, Ill., has made arrangements with Moncrieff and Endress, Toronto, for the manufacture in Toronto of various types of paper dispensers for Canadian consumption.

# Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

| Municipal— | Date Sold | Sold to | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| Port Arthur, Ont. | July | Fry & Co. | 4½% | 1955 | $34,000 | 106.75 | 4% |
| Pointe Claire, Que. | July | Comptoir National de Placement | 4% | 1949 | 14,000 | 99.21 | .... |
| Dominion— | | | | | | | |
| Canada Treasury Bills | July | | | Nov. 2 '36 | 30,000,000 | 99.81 | .727% |

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

| Bond Issue— | Date Issued | Offered by | Rate | Due | Amount | Price | Yield |
|---|---|---|---|---|---|---|---|
| The Loretto Ladies' Colleges & Schools, Toronto | Aug. | Harris, MacKeen & Co., and Goss & Co. | 4% | [illegible] | [illegible] | 100 | 4% |

# $42.50 Price For Newsprint Hard Barrier

(Continued from page 1)

publisher....Of course, the price of $50 a ton is utterly ridiculous."

Followers of newsprint developments will also recollect that it was the fixing of $41 a ton for 1936 deliveries by Great Northern Paper Co. last year that established the price for the whole Canadian industry. Never before, however, has the price for the next year's contracts been established before October or November. Hence the belief that Lord Rothermere's surprise suggestion led directly or indirectly to Great Northern's action this week.

### What Result?

The big questions for investors in newsprint securities are:

1. Will $42.50 a ton become the price for Canadian mills for 1937?
2. If so, will it allow earnings sufficient to justify the pronounced rise of newsprint bonds and shares in the past year?

The answer is not in the back of the book as was shown by this week's bond market reaction to the Great Northern announcement. First, bonds dropped the greater part of their advances of about 10% to 15% in July. Then they quickly regained about half the losses, settling down slightly below the best levels of the year.

The guess in the bond market seems to be that $42.50 may become a fairly general level for 1937 but that it should allow greatly improved earnings on capacity or near-capacity operations.

### Interlocking Contracts

The consequences of the Great Northern action will depend to an important degree upon the working of different forms of the "interlocking contracts" which predominate in the newsprint industry. Most mills make their contracts to supply paper at the current market price. The price, in turn, is defined as the average, or often the lowest price, quoted by the largest producers in the industry.

A few contracts are on the basis of the price accepted by Great Northern Paper Co. Some are based on the lowest price accepted by any of Great Northern, Canadian International Paper, Consolidated, Abitibi, or others. And so on. The interlocking nature of the contracts, of course, is obviously in the feature that enables one firm, such as Great Northern, to establish a price which is immediately applicable to contracts of other paper mills.

### Application of Price

The important thing is to what extent the price set by Great Northern will apply immediately to other newsprint producers. The effect will be felt in a substantial proportion of the whole industry. And that is what makes it possible that the $42.50 price will be general for 1937 deliveries. It would be possible legally, however, for a mill to fill contracts based on the Great Northern price at $42.50 but to take other contracts at higher prices.

It is not known definitely to what precise extent the price of $42.50 becomes applicable immediately to the newsprint industry in Canada as a whole. Particulars of contracts of individual companies vary, and some may be affected to a considerably greater extent than others. However, many contracts have been made on the basis of the lowest price quoted by any mill. Consequently it is possible that if some other producer than Great Northern were to offer paper at, say, $42, that lower price would immediately be effective for large portions of the industry.

### "Maximum Price"

In commenting on the price of $42.50 accepted by Great Northern, a bulletin of the American Newspaper Publishers Association states:

"In view of the restrictions by the provincial governments of Quebec and Ontario prohibiting mills in their provinces from making new commitments of any kind prior to August 15 and the recent advance by Canadian manufacturers of $10 a ton to publishers in South America, it is believed that the Great Northern announcement is an important one to United States publishers. It establishes the maximum market price for 1937.

"It is suggested that A. N. P. A. members consider this independent policy of the Great Northern Paper Co. in relation to the thought set forth in the annual reports of the A. N. P. A. Newsprint Committee for the years 1935 and 1936, that:

"'It would seem that the only defense publishers have against the intervention of the governments of the provinces of Quebec and Ontario to force artificially an increase in newsprint market prices, is to place their commitments as far as possible with United States mills, with whose government they can deal directly, or with mills operating in foreign countries, whose governments have not threatened to interpose themselves into the newsprint market.'"

### Earnings Noted

There was, of course, considerable disappointment in the newsprint industry at the Great Northern price. One commentator points out that Great Northern's dividend of $1 a share last year was not fully earned after all charges. The claim is voiced that even at $42.50 a ton the company would not be earning a reasonably satisfactory return on the investment.

Great Northern Paper Co. has mills at Millinocket, Maine. Its common shares of a par value of $25 each ranged from $24 7/8 to $32½ on the New York Curb this year. Recent prices have been the highest for the shares this year.

In the autumn of 1935, Canadian newsprint mills thought they would be able to obtain a price of about $42.50 a ton for 1936 deliveries, but acceptance of $41 a ton by Great Northern upset their plans. This year hopes were for $45 a ton for 1937, but Great Northern's deal has altered the picture much earlier than in 1935.

BAD CASES OF HAY FEVER & ASTHMA If yours is a BAD case of Hay Fever or Asthma, send $2 for a full-size tube of SALFOIN Balm for Hay Fever. Or send $1 for full-size box of AZO Tablets for Asthma. Or send half these amounts for sample quantities. Or send for booklets telling about these two BRITISH treatments which are guaranteed (money back if promised relief is not obtained).
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# "Boiler Shops" Change Tactics

(Continued from page 1)

dacious literature is that many promoters have found to their amazement that soberly worded prospectuses and selling circulars have been more effective.

### His "Virtue" Rewarded

One man, who formerly made an extensive use of lurid sales literature, has found his expenses less and the sales results much better. He cannot make a misstatement of fact without being tripped up because he is closely watched. And he finds that a strict adherence to fact keeps him out of trouble and he gets the reward of his compulsory virtue. He finds it inconvenient at first when he is forced to put a great deal of the money received for stock into the property when it is a development proposition. This is making even the type of promoter, whose main ambition in the past has been to mine the public, take a greater interest in the property and endeavor to get a property which will have sufficient promise to justify continued development and therefore sale of stock.

## Royal Windsor Apartments Earns $9,428 Net in 1935

Receipts of Royal Windsor Apartments, Windsor, Ont., apartment building under receivership of the London and Western Trusts Co. Ltd. were $26,373 in the 12 months ended Dec. 31, 1935, compared with $23,687 in 1934. Disbursements in 1935 totalled $25,671, also an increase over the 1934 total of $23,247.

Net revenue of 1935 was $9,428, before providing for management or legal expenses, but after adjusting taxes and insurance on an annual basis. Higher taxes are expected this year.

Until prior claims amounting to $21,747 are paid there can be no funds available for the bondholders unless a sale is effected. No offer has been received, although some enquiries are reported by the receiver. Outstanding bonds total $340,750.

## Little Change Seen At Base Metals Corp.

Little hope for a revival at the property of Base Metals Mining Corp. near Field, B.C., is contained in a brief report to shareholders over the signature of J. H. C. Waite, president.

Mr. Waite reports that in the quarter ended June 30, a total of $29,970 was spent on exploration. An extensive diamond drilling campaign, supplemented by drifting, crosscutting, and raising, failed however to locate the continuation of either the East or West Monarch ore bodies. One drill hole from the East Monarch intersected 10½ ft. of high-grade lead-zinc ore, but further work will have to be done before its importance can be determined.

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ONE DAY'S CONTRIBUTION

On July 15th, Canadian Airways' Planes transported over 12,000 pounds of mixed freight, sixteen passengers and mail to and from Casummit, Ontario.

This is typical of the contribution being made by air transport to northern mining development.

Much of this freight was flown over seventy miles from the head of navigation, while the balance and the mail was flown one hundred miles from the nearest railhead.

In emergency remember Canadian Airways Service Radio and Transport

TORONTO WINNIPEG MONTREAL EDMONTON

CANADIAN AIRWAYS
Air Bases Throughout Canada

# U. S. Business Moves to Near '29 Boom Level

## Production and Employment Figures Still on Upgrade

### TRADE HEALTHIER

**From Our Own Correspondent**

WASHINGTON, D.C.—Upsetting all previous U. S. experience of a presidential election campaign year slowing down business, every commercial, industrial and labor index in this country indicates recovery nearing the boom-time levels of 1929.

The increasingly bitter struggle among the politicians for power is obviously failing to check momentum of the great natural forces pushing the United States along the road to normal trade, production and employment. Though the American Federation of Labor claims more than 11,000,000 workers are still lacking permanent employment, its figures are notoriously subject to discount, both from selfish economic and political motives.

**Many More at Work**

Even the United States Chamber of Commerce, bitterly hostile to the Roosevelt Government spending and regulative policies, is just out with a report frankly predicting 1936 as the best business year since 1929. This report shows building construction in the first 6 months of this year 75% better than for the corresponding 6 months of 1935. The building trades unions report more of their members now employed than in the spring of 1930. The number of persons employed in the retail trade has increased in the same period by 178,000, in the railway field by more than 68,000 and by power companies more than 8,000.

These figures compare with the June report of the U. S. Commissioner of Labor showing 34% more building permits for the whole country than in May, and for the first 6 months of 1936 a construction total of $610 millions or 75% more than the same period of the preceding year. In June there was a gain of 142% in residential building, 81% in non-residential, and 52% in additions and repairs over the preceding month when in past years June has usually shown a decrease.

One of the best indexes not usually referred to is monetary circulation. The June 30 report of the U. S. Treasury, just out, shows on that date a total money circulation of $6,241,204,903 compared to $5,567,092,519 for same day of 1935. While money circulation is only the small daily change of modern U. S. business, it nevertheless bears a direct relation to similar increases in cheque or credit circulation.

**Foreign Trade Better**

Foreign trade figures show the same healthy growth. U. S. Department of Commerce statistics for the first 6 months of 1936 disclosed the value of domestic merchandise exports as $1,134 millions or 13% more than for the same 6 months of 1935 and 72% more than for the first half of 1933, the depression low. This increase is still continuing, the exports for June being $180 millions of 8% above June 1935.

Imports show a still greater increase. For the first 6 months of 1936 they were $1,151 millions or 17% higher than for the same period of 1935 and 95% or nearly double those of the first 6 months of 1933.

That exhibits an all-round healthier situation as tending to correct the unduly swollen favorable trade balance of the nation. Nevertheless, gold continues to pour into the country in an unending stream, the treasury vaults at last report, July 22, holding $10,634,285,688 in gold and $1,221,793,874 in silver.

Even the usually pessimistic American Federation of Labor business survey admits the great upsurge in business, its July circular stating: "Buyers for retail stores are flocking to New York and Chicago in larger numbers than in any of the last 6 years: a better fall retail season than any since 1929 is expected and orders to manufacturers should create many jobs and raise workers' buying power."

**Shadows in Background**

Against this heartening picture, 2 shadows are cast: The imminence of a widespread labor war in the steel and textile industries, and the possible effect of the great western drought. Results of the drought, however, will be counteracted to some extent by the increased prices paid those farmers fortunate enough to have a normal or near-normal crop. And the administration is bending every effort to arbitrate or at least delay the labor war until after the November elections.

There also is some indication that the Roosevelt administration is finally taking to heart the criticisms of its gigantic spending programme. In the first 3 weeks of July, the government collected back from the various loaning agencies of recovery $28 millions more than it expended. In the preceding month about $150 millions were repaid to the Reconstruction Finance Corporation of the government as well as some $69 millions of farm crop loans repaid to the commodity credit corporation.

**Relief Costs Higher**

Thus, though the government expended through various relief agencies in the same period about $181 millions compared with $128 millions for the same period of the preceding year, the treasury's net figures were in the black. Moreover, the final figures for the fiscal year ending June 30 last, showed that the government's revenues were the largest since 1921, a total of $3,520 millions from all taxation sources. The greatest gain was in income taxes which increased from $322 millions in 1935 to $1,105 millions in 1936. Liquor tax receipts grew from $411 millions in 1935 to $505 millions, and miscellaneous tax receipts from $1,256 millions to $1,506 millions.

With the continual growth in business recovery, there is no reason to doubt but that government receipts will continue to grow proportionately. Once the government actually puts the brakes on its spending policies, curtails government loaning and transfers the load to private enterprise, the charge that the present obvious recovery rests on an unsound basis can be opposed with some measure of success.

# *Canadian, U. S. Laws Identical On Trade Discriminations*

## Cancellation of Allowances to U. S. Chains Interests Canadians

### NEW DEAL INDICATED

**By H. L. SOUTHALL,**
**Managing Editor, Trade Newspapers Division, The MacLean Pub. Co.**

Canadian businessmen are watching with close interest the various aspects of the current unsettlement in established business practice in the United States, since adoption of the Robinson-Patman Act. This legislation, which came after exposures of allegedly discriminatory practices as brought out before the Federal Trade Commission, seeks to spread in a more equitable manner the special discounts, allowances and concessions which the large concentrated retailing organizations have in the past enjoyed almost exclusively.

Canadian business is interested, because our "New Deal" legislation, following similar exposures brought out before the Price Spreads Commission, is practically word for word in many cases, with the Robinson-Patman Act. Our legislation took the form of amendments to the Criminal Code, section 498a, and the legality of these amendments has been upheld by the Supreme Court.

Apparently all that is needed now for definite enforcement of this legislation in Canada, is some body such as the Federal Trade Commission in the U.S., to be set up for this purpose. The fate of the Dominion Trade & Industry Commission Act, which gave wide powers to prosecute offenders against the Combines Investigation Act and the Criminal Code, is very definitely tied in with the question of how actively our New Deal legislation governing discriminatory allowances, and misleading advertising, will be enforced. It is understood the D. T. and I. Commission Act will be appealed to the Privy Council by one of the provinces.

There seems reasonable likelihood that Canada will follow the U. S. in at least some degree in enforcing legislation requiring a more equitable distribution of concessions heretofore granted only to favored buyers. The fact that the independent retailers of the country, doing 70% of the total retail volume, were being denied these concessions, ensured that action was inevitable, either voluntary or forced.

Now it has come, and in the U. S. it has brought several startling changes in business policy of which the following are highlights:—

**Cancel Advertising Allowances**

Many of the leading manufacturers in the U. S. have cancelled advertising allowances to the chain and department stores, and some of the latter have already greatly curtailed or eliminated their local newspaper advertising. There seems some question as to whether this is to be a permanent policy or whether it is being done to try and force newspaper support for action in favor of repealing the Robinson-Patman Act. Nevertheless the fact at the moment is that the Great Atlantic & Pacific Tea Company's stores in the eastern division, comprising 2,500 units, have ceased all retail advertising because of this legislation. The stores now depend upon handbills, window displays, posters and radio for their advertising.

The A. & P. chain comprises some 15,000 stores and with sales volume of approximately one billion dollars a year, it was disclosed that it received advertising rebates and brokerage allowances totalling some $8,105,000 in 1934. One grocery trade paper in the U. S. states A. & P. has taken quick action under the new legislation feeling that disclosures of its huge special allowances from manufacturers have given an impression of size which would make it particularly vulnerable to attack under the Robinson-Patman Act. Other chains benefitted proportionately from such concessions.

**Has Affected Quality of Goods**

While the consumer is not directly interested in the question of allowances granted to retail buyers by manufacturers, recent events have shown he is indirectly and very vitally concerned. Investigations of special allowances have shown that in many instances manufacturers have recompensed themselves for the concessions made to buyers of big organizations by reducing the quality of the merchandise. In some recent instances in the U. S. the salespeople of chain and department stores have raised strenuous objection to having large quantities of poor quality merchandise thrust upon them as bought by the store because of the bait of a healthy special discount, allowance or rebate from the manufacturer. They report this practice is losing the stores business and more money than they could ever hope to make in the form of special allowances from manufacturers.

**Chains as Advertising Agents**

Certain of the U. S. chain organizations, determined they won't relinquish their rights without a fight, are preparing contract forms which provide for making the chain an agent of the manufacturer for advertising purposes. These provide for the continuance of payments to the chain of advertising allowances previously secured but specified as a payment for service rendered. This is the loophole through which many of the chain stores are figuring on circumventing anti-discrimination legislation.

U. S. companies which have already notified the trade of the discontinuance of allowances and other discount practices which are outlawed by the Robinson-Patman Act, include:

General Foods Corp.
The America Sugar Refining Co.
Beech-Nut Packing Co.
Standard Brands Inc.,
California Packing Corp.
Libby, McNeill & Libby
Phillips Packing Co.
Hawaiian Pineapple Co.

Wm. Wrigley Jr. Co. and American Safety Razor Corp. have issued statements relating to discontinuance of allowance practices, while certain revisions in discount practice have been made by other companies including Emerson Drug Co. manufacturers of Bromo-Seltzer.

**May Affect Private Brand Lines**

Question has been raised as to whether the eliminating of special allowances by manufacturers will encourage chain and department stores to push sales of their own private branded lines of merchandise. Some manufacturers have expressed this view and while this propaganda has been soft-pedalled by the chains, it is reported chain store officials in private conversation have not been backward in wielding the private brand stick over the manufacturers' heads.

There is not thought to be any likelihood of much change in chain stores' policy on private brands, however, because they have been pushing them for 15 years, very often with the advertising funds provided them by manufacturers of nationally identified lines with which such private brands are directly competing. Many of such manufacturers have just now awakened to the fact that they have, by acquiescing to the demands of some buyers, been virtually assisting to cut the ground from under their own brands of merchandise.

**Manufacturers Will Control Own Advertising**

With the cancellation of advertising allowance to the chain stores on such a huge scale, it is the feeling that considerable change for the better will be the result in the handling of advertising expenditures. Some system will undoubtedly be worked out whereby manufacturers can advertise through retail distributors, but elimination of the discriminatory features of allowances, whereby much of the money earmarked for advertising was never spent on advertising, should do much to put such expenditures on a more systematic and businesslike basis. It will probably result in manufacturers exercising more personal direction over their advertising expenditures with the likelihood that increased national advertising will be done.

## New Laws Parallel

The new United States law and the amendments to the Canadian Criminal Code seeking to remove special allowances, discounts and rebates received by large retailing organizations are almost word-for-word the same. Here is the text of the legislation:

***U. S. Legislation***

"Sec. 3. It shall be unlawful for any person engaged in commerce, in the course of such commerce, to be a party to, or assist in, any transaction of sale, or contract to sell, which discriminates to his knowledge against competitors of the purchaser, in that any discount, rebate, allowance, or advertising service charge is granted to the purchaser over and above any discount, rebate, allowance or advertising service charge available at the time of such transaction to said competitors in respect of a sale of goods of like grade, quality, and quantity; to sell, or contract to sell goods in any part of the United States at prices lower than those exacted by said person elsewhere in the United States for the purpose of destroying competition, or for eliminating a competitor in such part of the United States; or, to sell, or contract to sell, goods at unreasonably low prices for the purpose of destroying competition or eliminating a competitor."

***Canadian Changes***

Sec. 498 A—"Every person engaged in trade or commerce or industry is guilty of an indictable offense and liable to a penalty not exceeding one thousand dollars or to one month's imprisonment, or, if a corporation, to a penalty not exceeding five thousand dollars, who—

"(a) Is a party or privy to, or assists in, any transaction of sale which discriminates to his knowledge against competitors of the purchaser in that any discount, rebate or allowance is granted to the purchaser over and above any discount, rebate or allowance available at the time of such transaction to the aforesaid competitors in respect of a sale of goods of like quality and quantity;

"(b) Engages in a policy of selling goods in any area of Canada at prices lower than those exacted by such seller elsewhere in Canada, for the purpose of destroying competition or eliminating a competitor in such part of Canada;

"(c) Engages in a policy of selling goods at prices unreasonably low for the purpose of destroying competition or eliminating a competitor."

---

Sales of radio receiving sets in Saskatchewan and Alberta during the first quarter of the year were more than double in number those of the same quarter of last year, or 2,167 in the first quarter of 1936 and 1,040 in that of 1935.

## Bathurst Kraft Sales 25% Ahead of Last Year

**From Our Own Correspondent**

MONTREAL.—Bathurst Power & Paper Co. officially reports that for the first 6 months of the current year, sales of kraft liner board increased 25% in volume compared with the corresponding period of 1935.

During the balance of the year, the company will have available, in addition to the kraft liner board, the results of operations of the newly reconditioned 100-ton cylinder machine that is producing folding boxboard.

## Canada Northern Power Operations Register Gain

**From Our Own Correspondent**

MONTREAL.—Power output of Canada Northern Power Corp. for June totalled 48.2 million kw.h. This is in contrast with 47.2 million kw.h. in the same month a year ago.

For the first 6 months of 1936 the company produced 291 million kw.h., compared with 281.8 million kw.h. for the same period in 1935.

New customers added by the company during last June totalled 128, bringing the total at the end of the month up to 16,163 as against 14,942 at the end of June last year.

# Can. Packers Dividend $3

## Declaration Same for Current Year as for Last Year

Dividends on common stock of Canada Packers Ltd. for the current year are to total $3 a share, according to the remarks of President J. S. McLean, just issued with the annual report.

As reported earlier in The Financial Post, at the time the earnings figures appeared, the company earned $4.85 a share on the stock in the year ended March 31, 1936.

Dealing with the redemption of $5.9 millions of preference stock, Mr. McLean states the annual saving in fixed charges by substituting $6 millions of bonds will be $206,243. This is slightly over $1 a share on the 200,000 common shares.

The remarks stress the small profit margin on which the company works. Net profit was slightly less than 2% of total sales or 1/5 cent per pound of product. As regards livestock handled, profit from this source was approximately 1/10 cent per pound.

Mr. McLean gives his explanation of why packers' profits have been a topic of discussion, attributing it to the large volume of business. A profit of 2% on volume of $1 million, he says, would be $20,000 and would attract nobody's attention, but 2% on $100 millions of volume would be $2 millions. Without relation to volume the latter figure seems a large profit, but actually is in the same proportion as $20,000 on $1 million.

Work on the new plant at Edmonton will be completed some time in September, Mr. McLean states. This investment of about $1 million will enable the company to distribute its products throughout Alberta and British Columbia.

# *Dominion Buys Most from U. S.*

Canada's importations from other countries rose 23% in June over June, 1935. June imports were valued at $57.6 millions against $46.7 millions a year ago, and the largest increase was in imports from other than Empire countries.

Imports from foreign countries, amounting to $40.1 millions, recorded a gain of $9.5 millions over the June, 1935, total, a gain of 31%, and the increase in Empire importations, from $16 millions a year ago to $17.4 millions in June of this year amounted to less than 9%.

United States products made up the largest single source of foreign imports, goods valued at $34 millions coming in from the U. S. The United Kingdom sold $11 millions of goods to Canada; Germany was in third place with $933,000 and British India was fourth with $803,000. Far down the list came France with $520,000 and New Zealand with $519,000.

## Pickford and Black Ltd. Control in New Hands

**From Our Own Correspondent**

MONTREAL. — Following the death of Walter A. Black, control of the well-known ship broker firm of Pickford and Black, of Halifax, has passed to a syndicate headed by Ralph P. Bell and A. N. Jones.

Under the new set-up Ralph Bell, a nephew of one of the founders of the business, becomes president. Mr. Jones assumes the office of vice-president and managing director, while Cyril W. Stairs, joins the board. Messrs. McCaugin, Quigley and Gibson are continuing as active directors and with the same executive responsibilities as heretofore.

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Pouring Bessemer matte in the International Nickel Company's smelting plant at Copper Cliff, near Sudbury, Ontario

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THE COMING OF ELECTRICITY did not immediately bring today's many electrical appliances into your home. Science took years to perfect these appliances, and in their development Nickel played a vital part.

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It has been the continuous task of our research and sales departments to seek out new uses for Nickel in industry and homes throughout the world, in order that the markets for Nickel may be enlarged and the great Canadian ore deposits developed with a consequent quickening of our whole industrial life.

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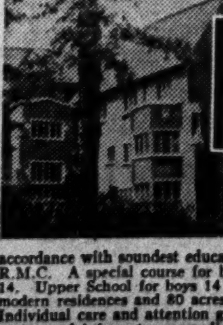

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H. C. GRIFFITH, M.A., LL.D. • • • • HEADMASTER

**Investment Trends**

# Movement of Stocks Viewed As Favorable

## Economic Factors Indicate Prospects For Sustained Income in Canada; Drought Offset By Favorable Influences

**Interpreters of stock market movements regard recent action of prices as encouraging to higher levels. Comparatively moderate activity below the best levels of the year is viewed as indicating latent strength. Should volume increase with rising prices, however, it might indicate a distributive stage in the long term advance of stocks, leading to another temporary decline.**

**An important reason for comparative sluggishness of Canadian stocks compared with New York levels is, of course, the more drastic effects of drought in Canada. Nevertheless, there are economic reasons for believing that 1936-37 should be productive of at least as much income in Canada as 1935-36.**

**Increasing dividend declarations by U. S. firms, due largely to new taxation of corporation surpluses is one of the most stimulating influences for strength in stocks.**

**Frenchmen are chiefly responsible for recent strain on the franc. They are buyers of sterling and dollars to invest abroad, as protection against possible devaluation of the franc. There have been occasional French enquiries for Canadian investments.**

### *Awaiting Move*

SINCE June 13, the Toronto Stock Exchange has not moved out of the 130-135 range. The Montreal Stock Exchange industrial average has been somewhat stronger, but has hovered between 75 and 77 since July 10. The latter date marks a period also in which Dow-Jones industrials in New York have lingered between 164 and 167.

The recent slight set-back and the levelling out of the averages marks a period of what chart readers consider encouraging stability. Their views of the current position are that industrial shares can rise eventually from present levels, that anxiety will be warranted only if prices advance materially in heavy volume. Volume of trading has been moderate recently, indicating the absence of important liquidation. The fact is that floating supplies of high quality stocks remain small, just as floating supplies of bonds are restricted.

* * *

### *Newsprint Price*

AS TIMES change, we sometimes fail to notice it. A year ago, a price of $42.50 a ton for newsprint would have been regarded almost with glee by newsprint operators and investors. Following marked strength of newsprint securities, however, the possibility that $42.50 will be the prevalent price for 1937 is considered with something approaching chagrin.

With increased volume in the mills, even a rise of $1.50 a ton should allow considerable improvement in earnings. And the improvement that has been experienced at $41 a ton in 1936 has yet to make its appearance in company reports.

While the opinion is fairly general in financial quarters that newsprint stocks and bonds have discounted a good deal of the current improvement, it is conceded equally as widely that the outlook for two years hence is for considerably better things.

Possible changes in foreign exchange would upset newsprint calculations. A premium on U. S. currency would be a bonus to newsprint firms. A discount would be a penalty against the price of newsprint which is usually paid for in American currency.

* * *

### *Offsets to Drought*

AS POINTED out in the current monthly letter of The Canadian Bank of Commerce, higher prices for grain are hardly adequate compensation for complete loss of crops in some areas due to drought. On the whole, however, higher prices appear to indicate that the total of farm income in Canada this year may at least equal returns from 1935 crops.

Forestry industries are going ahead, as noted in the foregoing paragraphs, so that the total income of the country on this score should show substantial improvement over the next year or two.

Mining continues most active. Base metal mining, however, is still below par and therefore the mining field has further room for improvement.

From the investment viewpoint, it appears that conditions show little improvement for firms supplying rural demands; that investments in forest industries have some speculative attractions; and finally that greater activity may be coming in base metal mining. The broad investment picture, therefore, still seems to favor improvement despite the ill effects of drought in the agricultural industry.

* * *

### *Miscellany*

REVALUATION of the franc by 20 to 25% is again front page gossip. It is always a possibility and is attracting an increased following of important French opinion. The effect might be temporarily to weaken security prices in Canada, but also to improve economic conditions in France with longer-range benefits to world commerce.

* * *

Corporation executives appear to have continued to lean toward sales of stocks rather than purchases in June, according to returns to the U. S. Securities and Exchange Commission. If the large shareholders were trying to anticipate weakness in their sales of stocks earlier this year, however, they were only half right.

* * *

The Spanish rebellion is threatening to spread into an international class warfare. Communists in Spain are attracting support from Leftist governments in France and Russia. Spanish Fascists appear to be drawing support from the Italian and German dictatorships. It seems decidedly unhealthy, and if it were to become more pronounced, could make security markets look very sick.

* * *

In northern mining areas, the rise of gold has infected popular psychology with the notion that gold will go still higher. Already, however, the rise has been the greatest in centuries. It might be noted that comparatively few governments are buyers of gold today and that still higher values would not tend to increase the number of customers. If the market for gold were restricted much more, it might not look very good for gold shares.

* * *

Alberta government announcements practically confess that there will be a discount on the new scrip issues. The eventual losers in this gyrating money scheme will be those who accept it and find themselves unable to pass it on, probably retailers.

## Tip Top Tailors Ltd. Pays 25-cent Dividend

Tip Top Tailors Ltd. is paying a dividend of 25 cents a share on the common stock on Aug. 10 to shareholders of record Aug. 1.

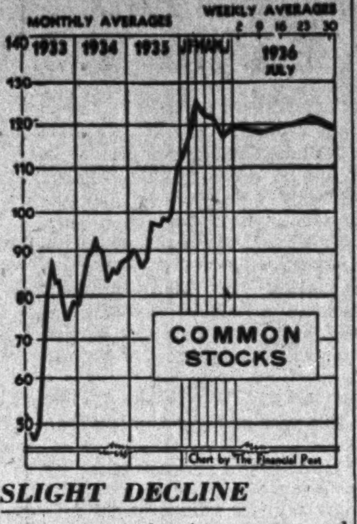
The same amount was paid July 2, 1935, and was the initial dividend on the common stock.

## Gatineau Power Loses Decision on Flood Claim

From Our Own Correspondent

MONTREAL.—The judicial committee of the Privy Council has awarded Freeman T. Cross $265,000 in his action against the Gatineau Power Co. for property damage due to flooding by waters of a reservoir.

This case has been in the law courts for some considerable time.



***SLIGHT DECLINE***

Common stock prices as measured by the Dominion Bureau index dropped back to 119.9 at the close of July. Comparative indices appear on this page.

# Ottawa Power Calls Preferred

## Expected to be Replaced by New Issue Carrying Smaller Dividend

From Our Own Correspondent

MONTREAL. — Ottawa Light, Heat and Power Co. will redeem at 105 on Oct. 1 all its outstanding 6½% cumulative redeemable preferred shares. Funds for the redemption of this issue will be provided through the issuance of new preferred stock, which will be offered shortly to the public through a syndicate headed by Wood, Gundy and Co. and W. C. Pitfield and Co.

Ottawa Power issued $1.5 million of the 6½% preferred stock in October, 1923. Dividends have been paid regularly and earned on an average better than 3 times over each year.

This is the fourth financial operation carried out by Ottawa Power since the depression set in. In June, 1931, the company issued $1 million of bonds. Three years later $625,000 of bonds were issued to redeem a like amount of the Ottawa Electric Co. 5% refunding and first mortgage bonds. In November, 1933, $250,000 of bonds were sold to provide funds to pay off $150,000 of Ottawa Gas Co. 5's and to provide additional funds for corporate purposes.

# Robert Mitchell Business Better

## Due Largely to Improved Volume From Railways

Robert Mitchell Co. has been substantially benefitted and expects to show a much improved working capital position this year, chiefly because of increased business from the railways, according to an official statement to shareholders.

The company reports as follows: "The improvement in conditions in the railway industry has benefitted this company to a considerable degree. The installation of air-conditioning equipment on both the Canadian Pacific Railway and the Canadian National Railways, has meant an increase in business, and with additional units to be installed in the future this new field should prove of considerable benefit to the company.

### New Fittings

"While there has been no great activity in railway car building, the fact remains that this year has seen the construction of the first new passenger equipment in Canada since 1931, and the car trimmings and fittings used on this equipment have been products of The Robert Mitchell Co.

"The architectural bronze and iron on the Montreal postal terminal, the customs and examining warehouse, together with all the architectural bronze and iron on the public building and post office at Hamilton, have been completely fabricated by this company.

"Over 700,000 pounds of cast iron were used on the Montreal postal terminal in the construction of the windows and spandrels.

"The company has progressed in the development of certain new articles for use in both railway and industrial fields, and it is felt that with reasonable business obtainable during the last half of the year, will be enabled to show a much improved working position."

# Investment Notes

WHEREAS they were buying gold stocks a year or two ago, American investment trusts now appear to be sellers. Among recent examples are:

**Lake Shore**—In the quarter ended June 30, 1936, Standard Investing Corp. sold all its 3,000 shares.

**Dome Mines**—Sale of all its 3,500 shares in the quarter ended June 30, 1936, is reported by Tri-Continental Corp.

* * *

**Ford**—Latest reports are very definite that the company is not bringing out a new small car as has been rumored. However, there are expectations the company's 1937 models may appear early especially in view of lower domestic sales in 1936.

* * *

**Dominion Stores**—R. O. Johnson, Montreal director, held only 5 common shares in July.

* * *

**International Nickel**—Direct holding of Britton Osler, K.C., Toronto director, was 10,000 shares in June.

* * *

**Bread, Bakeries**—Current report is that the price of bread may rise in Montreal. Elimination of cut-rate, low-quality loaves has helped bread firms in Toronto. Improved conditions in Montreal would work to the benefit of units of Canada Bread and Consolidated Bakeries there

* * *

**Canadian Celanese**—Some institutional investors have bought preferred shares, but there appears to be some doubt as to the legality of the investment for insurance companies. Otherwise they rather favor the stock as a satisfactory source of income to include in large lists of other securities.

* * *

**Canadian Investment Fund** — At June 30, 1936, net assets totalled $4,152,769 at market value of securities held. Securities carried at cost of $2,825,175 had a market value of $3,823,011. Investors will be interested in comparing appreciation of their personal portfolios with the C.I.F. appreciation of 8.6% since the end of 1935, and 24.4% since June 30, 1935.

Shown with reports to shareholders are lists of holdings at June 30 and also at July 15, 1936. The only change in that period appears to have been sale of 150 shares of **Dominion Textile** common. C. I. F. money is 95.76% in common stocks, 3.29% in preferred shares and 0.95% in bonds. Complete list of holdings is as follows:

**Canadian Investment Fund**
**Investments as of July 15, 1936**

| Common Stocks | Shares | Percent. of Invested Assets % |
|---|---|---|
| **Banks:** | | |
| Bank of Canada | 50 | .07 |
| Bank of Montreal | 100 | .49 |
| Bank of Nova Scotia | 40 | .29 |
| Can. Bank of Commerce | 100 | .40 |
| Royal Bank of Canada | 100 | .43 |
| | | 1.68 |
| **Chemicals:** | | |
| E. I. du Pont de Nemours & Co. | 800 | 3.29 |
| Sherwin Williams Co. (U.S.) | 400 | 1.43 |
| Union Carbide & Carbon Corp. | 1,800 | 4.42 |
| | | 9.14 |
| **Public Utilities:** | | |
| Bell Telephone Co. of Can. | 600 | 2.28 |
| Montreal Light, Heat & Pr. | 2,500 | 2.01 |
| | | 4.29 |
| **Foods, Beverages:** | | |
| Canada Packers | 225 | .51 |
| National Breweries | 4,400 | 5.10 |
| Ogilvie Flour Mills Co. | 550 | 2.99 |
| | | 8.60 |
| **Heavy Industries:** | | |
| Building Products Ltd., class "A" | 1,200 | 1.24 |
| Canadian Bronze Co. | 1,000 | .97 |
| Dominion Bridge Co. | 3,000 | 3.05 |
| General Electric Co. (U.S.) | 3,400 | 3.54 |
| Page-Hersey Tubes | 1,300 | 3.02 |
| Steel Co. of Canada | 2,800 | 4.74 |
| | | 16.56 |
| **Gold Mining:** | | |
| Hollinger Consol. | 4,000 | 1.62 |
| Lake Shore Mines | 3,000 | 4.51 |
| McIntyre Porcupine | 3,200 | 3.50 |
| | | 9.63 |
| **Mining, General:** | | |
| Cons. Mining & Smelting Co. | 2,500 | 3.51 |
| International Nickel Co. | 4,000 | 5.23 |
| Hudson Bay Mining & Smelting Co. | 1,000 | .64 |
| Noranda Mines | 3,200 | 4.93 |
| | | 14.31 |
| **Motors:** | | |
| Chrysler Corporation | 2,000 | 6.00 |
| Ford Motor Co. of Can., "A" | 2,400 | 1.26 |
| General Motors Corp. | 2,600 | 4.70 |
| | | 11.96 |
| **Petroleum:** | | |
| British-American Oil Co. | 5,000 | 3.26 |
| Imperial Oil, Ltd. | 5,500 | 2.98 |
| Internat. Petroleum Co. | 3,700 | 3.49 |
| | | 9.73 |
| **Retail Trade:** | | |
| Dominion Stores | 1,400 | .30 |
| Loblaw Groceterias Co., "A" | 1,100 | .60 |
| Loblaw Groceterias Co., "B" | 2,100 | 1.01 |
| Montgomery Ward & Co. | 1,600 | 1.85 |
| | | 3.76 |
| **Miscellaneous:** | | |
| Canadian Pacific Railway Co. | 300 | .10 |
| Canadian Celanese, Ltd. | 1,500 | 1.12 |
| Dominion Glass Co. | 800 | 2.26 |
| Imperial Tobacco Co. of Can. | 3,500 | 1.27 |
| Loew's, Incorporated | 1,000 | 1.35 |
| **Total common stocks** | | 6.10 |
| **Preferred Stocks** | | |
| Canadian Celanese, 7% | 600 | 1.86 |
| Goodyear Tire & Rubber Co., 5% | 500 | .75 |
| National Breweries, 7% | 200 | .22 |
| Steel Co. of Canada, 7% | 300 | .46 |
| **Total preferred stocks** | | 3.29 |
| **Bonds** | Par Value | |
| C.P.R. Co. Conv., 6-42 | $10,000 | .29 |
| Dom. of Can. ref. 4½/44 | 10,000 | .30 |
| Province of Ontario, 4/65 | 4,000 | .11 |
| Province of Quebec, 4/58 | 9,000 | .25 |
| **Total bonds** | | .95 |

## Significant Investors' Index Numbers

1926 = 100

| | Iron and steel | Pulp and paper | Milling | Oils | Textiles and clothing | Food and allied products | Beverages | Total industrials | Total utilities | Total co's. |
|---|---|---|---|---|---|---|---|---|---|---|
| No. of Securities | 15 | 6 | 5 | 5 | 11 | 18 | 9 | 89 | 23 | 112 |
| **1929-35:*** | | | | | | | | | | |
| High | 388.9 | 113.4 | 273.4 | 423.5 | 113.5 | 197.8 | 205.4 | 317.6 | 166.0 | 232.6 |
| Low | 39.8 | 2.8 | 37.7 | 83.6 | 28.0 | 72.1 | 28.5 | 49.3 | 33.1 | 40.9 |
| **Monthly Figures, 1936:** | | | | | | | | | | |
| January | 130.3 | 18.6 | 80.0 | 231.0 | 75.5 | 153.6 | 151.7 | 187.7 | 52.4 | 117.8 |
| February | 140.5 | 20.2 | 84.3 | 246.5 | 74.0 | 158.7 | 151.7 | 200.0 | 57.0 | 126.1 |
| March | 136.5 | 18.5 | 88.7 | 237.3 | 73.1 | 153.0 | 140.1 | 194.8 | 55.5 | 122.8 |
| April | 131.7 | 17.5 | 91.0 | 244.5 | 71.3 | 150.7 | 131.7 | 194.2 | 53.2 | 121.4 |
| May | 125.1 | 16.7 | 87.3 | 234.0 | 68.1 | 145.7 | 131.4 | 187.9 | 52.5 | 117.9 |
| June | 125.3 | 10.6 | 86.5 | 228.1 | 67.4 | 149.2 | 129.3 | 189.3 | 53.3 | 119.0 |
| **Weekly Figures, 1936:** | | | | | | | | | | |
| July 2 | 124.3 | 18.0 | 87.6 | 229.4 | 65.6 | 149.5 | 126.1 | 190.6 | 53.6 | 119.2 |
| July 9 | 123.3 | 18.5 | 86.7 | 228.3 | 65.6 | 150.3 | 127.8 | 189.9 | 53.0 | 118.5 |
| July 16 | 124.5 | 19.2 | 85.6 | 228.1 | 68.7 | 152.2 | 130.4 | 191.0 | 53.6 | 119.4 |
| July 23 | 126.7 | 18.6 | 88.6 | 228.5 | 69.6 | 153.2 | 130.2 | 192.8 | 54.0 | 120.4 |
| July 30 | 127.1 | 18.7 | 89.5 | 226.8 | 70.1 | 155.0 | 129.4 | 192.3 | 53.5 | 119.9 |

*High and low of years from 1929 to 1935 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

**Toronto Stock Exchange Index**

| | 20 Indus. | 20 Golds | 20 Misc. Mines |
|---|---|---|---|
| Aug. 4 | 133.61 | 148.56 | 142.82 |
| Aug. 3 | Holiday | | |
| Aug. 1 | 134.35 | 148.86 | 143.68 |
| July 31 | 134.60 | 149.25 | 143.63 |
| July 30 | 134.54 | 148.08 | 143.65 |
| July 29 | 134.01 | 149.40 | 145.93 |
| Month ago | 131.34 | 143.06 | 129.83 |
| Year ago | 108.86 | 101.22 | 92.30 |
| High, 1936 | 143.48 | 150.46 | 148.12 |
| Low, 1936 | 125.71 | 115.97 | 123.59 |

**Montreal Averages**

| | 10 Util. | 20 Indus. | 30 Comb'd |
|---|---|---|---|
| Aug. 4 | 72.1 | 75.5 | 74.3 |
| Aug. 3 | 72.1 | 76.0 | 74.7 |
| Aug. 1 | 72.2 | 75.9 | 74.4 |
| July 31 | 72.9 | 76.2 | 75.1 |
| July 30 | 71.5 | 76.3 | 74.7 |
| July 29 | 70.1 | 76.4 | 74.3 |
| Month ago | 69.1 | 74.0 | 72.4 |
| Year ago | 60.5 | 58.3 | 59.0 |
| High, 1936 | 73.4 | 78.4 | 76.6 |
| Low, 1936 | 67.2 | 69.5 | 68.9 |

# Lake St. John Evolving Plan

## Business Now on Basis to Justify Permanent Reorganization

From Our Own Correspondent

MONTREAL.—Lake St. John Power & Paper Co. made no disbursement on account of back interest on the bonds August 1, as plans are now well advanced for the reorganization of the company's funded debt and share capital on a permanent basis.

In a letter to the bondholders, sent out by the protective committees it is pointed out that the business of the company is now on a sufficiently stable basis to justify a reorganization.

### Along Lines of Forecast

It is understood the plan now under consideration is substantially along the lines announced exclusively in The Financial Post, July 11. The scheme, among other things, will provide for exchange of the present 6½% first mortgage bonds, on which there are substantial arrears of interest, on the basis of $1,200 of new 5½% first mortgage bonds, a small amount of cash and an interest in the common stock for each $1,000 bond held.

A number of the principal first mortgage bondholders have approved the plan, while the debenture holders are reported in favor of it. The proposal has been submitted to holders of the preferred stock and the common stock, in which there is no public investment interest, for their consideration and comment.

It is expected the views of all the interested parties will be gathered shortly and official particulars of the plan will be announced before the end of this month.

## Maritime Tel. and Tel. Adds to Number of Stations

From Our Own Correspondent

MONTREAL. — Maritime Telegraph and Telephone Co. reports 39,072 stations installed at the end of June.

The Island Telephone Co. subsidiary operating in Prince Edward Island, reports 4,150 installations.

The showing made by the connecting companies was somewhat better, the number of installations at the end of June being 7,585.

# Power Sales At New Peak

## Consumption During June Sets Record for Central Electric Stations

From Our Own Correspondent

MONTREAL.—Firm power consumption in Canada reached a new high record during June last, according to the Dominion Bureau of Statistics.

Total output of central electric stations during the month amounted to 2,028 million kw.h., an increase of 11.7% over the same month a year ago.

Exports to United States increased from 131 million kw.h. in May to 158 million kw.h. in June, the increase in off-peak exports being 25.7 million kw.h.

### Increases Are General

Deliveries to electric boilers decreased from 579 million kw.h. in May to 516 million kw.h. and the consumption of firm power in Canada amounted to 1,355 million kw.h.

For the first half of the year output of central electric stations totalled 11,671 million kw.h., an increase of nearly 1,000 million kw.h. over the same period a year ago. Of this amount deliveries to electric boilers totalled 2,530 million kw.h., as against 2,201 million kw.h. for the first half of 1935.

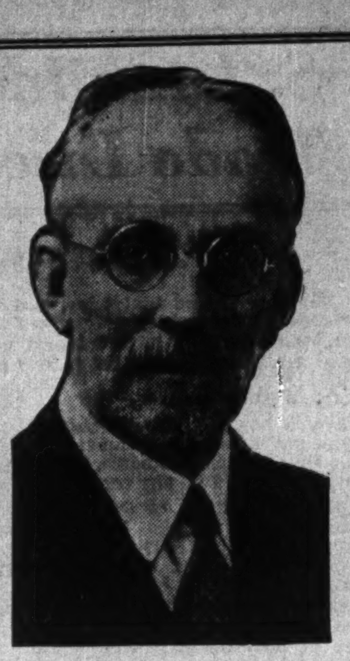
All 5 economic areas have shared in the increase this year.

## Inverness Apartments Cannot Pay Interest

Net revenue of Inverness Apartments, Windsor, was $746 in 1935, according to a report to bondholders by London & Western Trusts Co., receivers. This revenue is calculated after adjusting the taxes and insurance on an annual basis, but before management or legal expenses.

Until tax arrears totalling $1,046 at the end of 1935 are paid, there can be no funds available for bondholders unless a sale of the property is effected, it is stated. No satisfactory offers for the property have been received.

In 1935, the building was practically 100% occupied throughout the year. Rentals were increased last October, and it may be possible to increase them again this year.



***IN REVOLT***

Rev. Robert Connell, leader of the C. C. F. party in the B. C. Legislature, threatened with expulsion from the party because he has attacked the radical political platform drawn up at a recent C. C. F. convention.

# C. C. F. Schism Hope for B. C. Older Parties

## Liberals and Conservatives Welcome Friction Among Leftists

### SPLIT ON POLICIES

From Our Own Correspondent

VANCOUVER. — Old-line politicians, Liberals and Conservatives, and all those in British Columbia who favor the conventional way of doing things politically and economically, were treated last week to an event which vastly pleased them and added bounteously to their store of confidence—a major breakup in the C.C.F. party.

Reports of schism in the ranks of the Co-operative Commonwealth Federation had been current for some time, and they were confirmed when the party held its convention here a few days ago, elected the radical Dr. Lyle Telford as provincial president of the organization and drew up a new platform bristling with left-wing statements of principle.

### Connell Letter

It was this platform that resulted in the split. Rev. Robert Connell, the somewhat conservative-minded house leader of the C.C.F. in the British Columbia legislature, who incidentally did not attend the convention, issued an outspoken letter to the association frankly denouncing the platform, declaring his unflinching opposition to Communism and asserting that the policies as laid down by the C.C.F. platform would lead only to disillusionment.

To this letter the executive of the association, dominated by Dr. Telford and Ernest and Harold Winch, the father-and-son C.C.F. members of the legislature, issued a reply saying that it would stand by the principles as laid down, and that it would be "sorry to lose" Mr. Connell.

### Leads C.C.F. Right Wing

If Mr. Connell was staging merely a one-man revolt the significance of the break would be little. But many of the more sober-minded members of the C.C.F., including 2 or 3 of the elected members, are staunchly behind Connell. Mr. Connell may be described as merely the leader of the party of protest in B.C., one who stands for government reform, but not the sort of reform that means revolutionary changes in the whole democratic theory. The left-wingers, on the other hand, are in a hurry, and to achieve their ends would borrow freely from the Communist book.

Mr. Connell, on the other hand, will have no truck with the Communists. "I am unalterably opposed to any dealings whatever with the Communist party," said Mr. Connell in his letter, "because history and experience prove its betrayal of all who trust in it. I profoundly resent the implication of certain resolutions of C.C.F. clubs sent to me that because I am not ashamed to profess loyalty to God and my King, I am therefore a traitor to the people's cause....

"It is necessary to save our movement from the sinister influences that are throttling it; it is equally necessary to present our aims to the people in a sane and wisely considered platform, and in so far as we make promises, keeping them well within the confines of probable and possible fulfillment."

### Expulsion Possible

It is possible that the C.C.F. organization will expel Mr. Connell, but if that is done the expulsion would probably have to be extended to other members. In any event Mr. Connell does not intend to resign his seat in the legislature, and if Dr. Telford runs in the Vancouver Burrard by-election, as seems likely, and is elected, the legislature will face the curious situation of having a right-wing C.C.F. leader and a left-wing C.C.F. leader.

The present controversy is the most interesting political development in B.C. in recent years, and to Tories and Liberals who have come to regard a united C.C.F. as a major threat at the next provincial election, within a year or so, the revolt of Mr. Connell is the most palatable news they have read in many a day.

*New Issue*

**British Columbia Telephone Company**

**4½% First Mortgage Bonds**
**Due June 1st, 1961**
Payable in Canadian Funds

We offer the above Bonds at 105 and interest in exchange for outstanding 5% First Mortgage Bonds of British Columbia Telephone Company, payable in Canada, New York or London, England, at 108.50 and interest. This includes 3½% (or $35 per $1,000 Bond) calculated to cover the present premium on foreign exchange.

*We shall be pleased to forward descriptive circular upon request.*

**Wood, Gundy & Company**
**Limited**

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Ottawa
Hamilton
Vancouver
London, Ont.

## Burry Biscuit Co. Plans 4 for 1 Split of Common

Directors of Burry Biscuit Co. of Linden, N.J., have approved arrangements to split the 100,000 outstanding common shares, 4 for 1. Shareholders are to meet Aug. 11 to vote on the necessary by-laws.

The company's plants have been busy and some 22,000 square feet of additional space at Chicago and Linden will be placed in use in August.

The shares were listed on the Toronto Stock Exchange June 22, 1936.

## Atlantic Sugar Changes Head Office to Saint John

Head office of Atlantic Sugar Refineries Ltd. has been changed from Montreal to Saint John.

The by-law changing the location of the head office was recently approved by shareholders after its adoption by directors.

**Classified Advertisements**

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Three insertions for the price of two. Add five words when box number is required. Classified ads payable in advance.

*Capital Required*

MANUFACTURER REQUIRES FIVE thousand dollars for one year. Will return double principal only. Good Security. Box 358, The Financial Post, Toronto.

## P. T. Legaré Meeting Adjourned to Aug. 28

Meeting of bondholders of P. T. Legaré Co. at Montreal, July 31, called to consider a plan of reorganization, was adjourned to Aug. 28. A quorum of 51% of the outstanding bonds was lacking.

At the adjourned meeting, whatever number of bonds is represented constitutes a quorum. The meeting will therefore be able to adopt the reorganization plan making it binding upon all bondholders.

It is proposed to issue $25 of new first mortgage bonds and $75 of preferred stock for each $100 of present bonds. In addition, present bondholders would be offered additional bonds at 95. New bonds not taken up by present holders will be purchased by a group headed by Louis D. Hudon, Quebec, to furnish new working capital required in the business.

Large bondholders favor the reorganization plan so that it is expected to be adopted at the meeting Aug. 28.

## "The Ontario Municipal Board"

Notice is hereby given that the Municipality of the Town of Sturgeon Falls has become subject to the provisions of Part III of "The Department of Municipal Affairs Act, 1935," by an order of The Ontario Municipal Board bearing date the Twenty-fourth Day of July, A.D. 1936, and from and after the first publication of this notice in the "Ontario Gazette," all actions of proceedings against the said Municipality are stayed, and thereafter no action or other proceeding against the said Municipality shall be commenced or continued, nor shall a levy be made under a Writ of Execution against it without leave of "The Ontario Municipal Board."

Dated this 24th day of July, A.D. 1936.

M. B. SANDERSON,
Acting Secretary of the Ontario Municipal Board.
Chairman.

CANADIAN
FUND

Prospectus and semi-annual report of Canadian Investment Fund, Ltd., obtainable from your own investment dealer.

**CALVIN BULLOCK, LTD.**

**DIVERSIFIED INVESTMENT**

**The following list of Canadian Government and Corporation Bonds, and Preferred Stocks, offers favorable opportunities for investment. We shall be pleased to furnish additional suggestions upon request.**

| | Rate | Maturity | Yield |
|---|---|---|---|
| Dominion of Canada | 3¼% | 1956-66 | 3.05% |
| Dominion of Canada | 4½% | 1947-57 | 3.15% |
| C.N.R., Guaranteed by Dominion of Canada | 3% | 1948-53 | 2.83% |
| Province of Nova Scotia | 3¼% | 1956 | 3.20% |
| Province of New Brunswick | 3½% | 1956 | 3.43% |
| Canada Atlantic Railway | 4% | 1955 | 4.02% |
| Power Corporation of Canada | 4½% | 1959 | 4.60% |
| Union Gas Co. of Canada | 4½% | 1960 | 4.54% |
| Hamilton By-Product Coke Ovens | 6% | 1956 | 6.02% |
| Northwestern Utilities | 7-6% | 1938-49 | 6.59% |
| Associated Telephone & Telegraph | 5½% | 1955 | 6.50% |
| *Canadian Celanese Limited | 7% | Part. Pfd. | 5.83% |
| International Bronze Powders | 6% | Part. Pfd. | 5.17% |
| Power Corporation of Canada | 6% | Preferred | 6.00% |

*Plus participating dividends

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**First Mortgage Bonds, 5% Series A**

We offer our facilities for the exchange of the 5% Series A Bonds for the Company's new

**FIRST MORTGAGE BONDS, 4½% SERIES B**

On the basis of a price of 105% and accrued interest for the 4½% Series B Bonds and 108½% and accrued interest for the 5% Series A Bonds in accordance with the terms of the prospectus which will be furnished upon request.

*The new 4½% Series B Bonds will be dated June 1st, 1936, and will mature June 1st, 1961, principal and interest being payable in lawful money of Canada. Coupon Bonds available in denominations of $1,000 and $500, registerable as to principal only or Fully Registered Bonds in denominations of $1,000 and $5,000.*

Bonds of the 4½% Series B are available for immediate delivery.

VANCOUVER
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**Bond Markets**

# Rally Follows Slump In Newsprint Bonds

## Market Remains Puzzled in Appraisal of $42.50 Price for Newsprint — Contrasting Movements in Western Provincials in July

The surprise of this week's bond trading was the announcement that Great Northern Paper Co. is contracting for 1937 newsprint production at $42.50 a ton. The immediate result was a sharp recession in newsprint bonds, a drop of 5 points being recorded, for instance, in Consolidated Paper bonds. Almost as quickly, however, the price rose from 50 back toward the July closing level of 55. Bond dealers and investors are still wondering just how bad the $42.50 news really is, or whether it is so very bad after all.

Vancouver bonds are becoming more active and have risen from the low 80's to about 90. Demand for them seems to arise whenever the interest-cutting agitation dies down.

Supplies of bonds are relatively scarce so that government issues remain firm. Offerings and financing in sight appear to consist chiefly of small blocks of municipal bonds.

### *Western Bonds Down*

OVER the past year there has been a general recession in western provincial bonds. In the past month, however, the weaknesses have been confined largely to Alberta and Saskatchewan bonds, as shown below:

**Bids on Comparable Western Bonds**

| Issue: | | July 31, 1936 | June 30, 1936 | July 31, 1935 | Year's change |
|---|---|---|---|---|---|
| Alta. .. | 6% '47 | 69 | 71 | 103 | —34 |
| B. C. .. | 6% '47 | 98 | 92½ | 103 | — 5 |
| Man. .. | 6% '47 | 101½ | 100 | 109½ | — 8 |
| Sask. . | 6% '52 | 89 | 93 | 107¼ | —18¼ |

The feature of July movements was the strength of B. C. issues, based largely upon reiteration of the government's intention to meet all its obligations promptly and to try to improve the price of its bonds so as to allow funding of debts at low interest rates. The bonds have some distance to go, of course, before the objective is achieved, as is shown by the price of approximately 86 for 4's.

Weakness in Saskatchewan issues has puzzled bond dealers and was apparently based on a rumor of interest-reduction plans. This is contrary to official policy, but, knowing the difficulties of western provinces, the market is nervous as shown by the slump.

The uncertainties arising from the Manitoba election failed to weaken the province's bonds.

Alberta issues are being traded flat without interest in view of the plan to cut interest in half.

* * *

### *Newsprints, Industrials*

STRENGTH continued in newsprint bonds in July. Abitibi 5's were up 10 points for the month at 59 bid. M. & O. Paper 6's were up 6 points at 45. Consolidated Paper 5½'s gained 7 points to 55, and there has been some important British buying in these, apparently "averaging" old investments at higher levels. Prices have now eased off because of disappointment over the probable price of newsprint for 1937.

Beauharnois 5's, a popular speculation, rose 7 points to 39 in July, and the 5½'s of 1973 were up 3, on strength of the deal to exchange the 5½'s for Montreal Power 3½'s. Improved earnings raised Twin City 5½'s 7 points to 88. Gains of 2 and 3 points were recorded in Maclaren-Quebec and Ottawa Valley Power 5½'s. This is attributed chiefly to hope, since deals with the Ontario Hydro are not believed to be pending.

Canada Steamships 6's continue firm around 55, although this year's small western wheat crop is decidedly not helpful.

The general market for industrial bonds was strong as shown by the accompanying chart, but gains are confined chiefly to issues selling below par. Other quality industrials are held down by call prices.

* * *

### *Records Again*

THE charts herewith and in the special article on page 16 show how new record high prices continue to prevail for gilt-edged government bonds. Comparative averages follow:

**The Financial Post Average Price and Yield for High Grade Government Bonds**

| 1936 | Price $ | Yield % | 1935 | Price $ | Yield % |
|---|---|---|---|---|---|
| Aug. 2 | 117.02 | 3.054 | Aug. 2 | 113.12 | 3.483 |
| Aug. 1 | 116.97 | 3.057 | Aug. 1 | 113.11 | 3.480 |
| July 31 | 116.97 | 3.057 | July 31 | 113.06 | 3.491 |
| July 30 | 116.86 | 3.069 | July 30 | 113.02 | 3.493 |
| July 29 | 116.82 | 3.070 | July 29 | 113.01 | 3.494 |
| July 28 | 116.79 | 3.070 | July 27 | 113.03 | 3.493 |
| July 27 | 116.73 | 3.079 | July 26 | 113.03 | 3.493 |
| June 30 | 116.37 | 3.126 | June 29 | 112.73 | 3.540 |
| Year's | 117.02 | 3.054 | Year's | 114.97 | 3.367 |
| Range | 111.50 | 3.597 | Range | 106.57 | 4.097 |

## Dividends Declared

| | This payment | Date payable | Date of record |
|---|---|---|---|
| Agnew Surp. | 20c | Sept. 1 | Aug. 15 |
| Do., bonus | 20c | Sept. 1 | Aug. 15 |
| Do., pref. | $1.75 | Oct. 1 | Sept. 15 |
| Assoc. Tel. & T. | 49c | Aug. 10 | July 15 |
| Bk. Can. Nationale | $2 | Sept. 1 | Aug. 15 |
| Borden Co. | 40c | Sept. 1 | Aug. 15 |
| Belding Cort. | $1 | Oct. 1 | Sept 15 |
| Do., pref. | $1.75 | Oct. 1 | Sept. 15 |
| Buff. Ankerite | 5c | Aug. 15 | Aug. 1 |
| Bk. of Toronto | $2.50 | Sept. 1 | Aug. 15 |
| Bank of Montreal | $2.00 | Sept. 1 | July 31 |
| Candn. Oil Co. | 12½c | Aug. 15 | Aug. 1 |
| Can. Bk. of Comm. | $2.00 | Sept. 1 | July 31 |
| Crown Cork | 20c | Aug. 15 | July 31 |
| Candn. Converters | 50c | Aug. 15 | July 31 |
| Confed. Life | $1 | Sept. 30 | Sept. 25 |
| Corp. Investors | 5½c | Aug. 15 | July 31 |
| Cosmos Imp. Mills | $1.25 | Oct. 15 | Sept. 30 |
| Dominion Bridge | 30c | Aug. 15 | July 31 |
| Gurd, Chas. | $1.75 | Aug. 15 | Aug. 1 |
| Hollinger Gold M. | 5c | Aug. 11 | July 27 |
| Inter. Nickel, c. | 35c | Sept. 30 | Aug. 31 |
| Kelvinator, pfd. | $1.75 | Aug. 15 | Aug. 5 |
| Lake of Woods M. | $1.75 | Sept. 1 | Aug. 15 |
| Monarch Knitting | $1.75 | Oct. 1 | Sept. 15 |
| Loblaw Groc. | 25c | Sept. 1 | Aug. 12 |
| McIntyre-Porc. | 50c | Sept. 1 | Aug. 1 |
| Nat. Biscuit | 40c | Oct. 15 | Sept. 11 |
| Do., pref. | $1.75 | Aug. 31 | Aug 14 |
| Nipissing Mines | 25c | Aug. 20 | July 31 |
| N.S. L. & Pr. pf. | $1.50 | Sept. 1 | Aug. 15 |
| Ont. Steel Products | $1.75 | Aug. 15 | July 31 |
| Penmans | 75c | Aug. 15 | Aug. 5 |
| Quebec Power | 25c | Aug. 15 | July 24 |
| Royal Bank | $2 | Sept. 1 | July 31 |
| Rolland Paper | $1.50 | Sept. 1 | Aug. 15 |
| Rolland Paper | 25c | Aug. 10 | July 27 |
| South. Can. Pr. c. | 20c | Aug. 15 | July 31 |
| Shawinigan W. & P. | 15c | Aug. 15 | July 24 |
| Std. Steel, pfd. | *$3 | Aug. 15 | July 31 |
| Toburn Gold | 2c | Aug. 21 | July 21 |
| Tip Top Tailors, c. | 25c | Aug. 10 | Aug. 1 |
| Tuckett Tob. pf. | $1.75 | Oct. 15 | Sept. 30 |

*On arrears.

## Bond Tenders

4 p.m., Aug. 12, Arvida—$160,000, 4% bonds redeemable serially Aug. 1, 1933 to 1961. R. L. Latraverse, sec.-treas.

8 p.m., Aug. 10, Joliette—$55,000, 3, 3½ and 4% bonds, redeemable serially to 1936. Camille Bonin, sec.-treas.

Aug. 15, Sch. Comm., Ville La Salle, Que.—$4,000, 5% bonds, redeemable serially from July 1, 1937 to July 1, 1946.

Aug. 18, St. Hyacinthe, Que.—$23,000, 4% bonds, redeemable serially from 1937 to 1966.

# Bank Debits Rise Sharply

## All Areas Report Gains in June and for 6 Months

Financial transfers in the form of bank debits, generally considered one of the leading indicators of business activity, showed encouraging progress in June. All 5 economic areas in the Dominion recorded increases as compared both with the previous month and with the same month a year ago.

Total debits of $3,135.6 millions for the month compare with $2,710.3 millions in June, 1935, a gain of almost 16%. Largest gain was in the Prairie Provinces where increased productive and speculative activity resulted in debits nearly 25% above last year's level.

Compared with the previous month, the total represents an increase, after seasonal adjustment of 14.5% Greatest percentage gains were registered in the Maritimes where a sharp advance of 32.6% was chalked up.

Debits for the first half of 1936 amounted to $17,247 millions, an increase of $2,031 millions or 13.3% over the corresponding period a year ago.

**Debits to Individual Accounts**

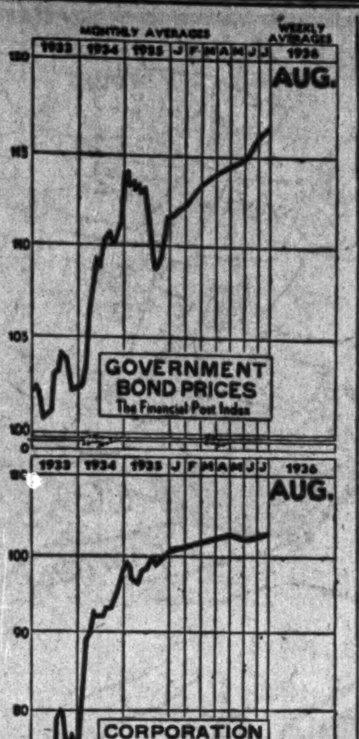
| | June, 1936 $ | June, 1935 $ |
|---|---|---|
| **Maritime Provinces** | | |
| Halifax | 35,121,997 | 26,198,178 |
| Moncton | 8,785,146 | 8,846,134 |
| Saint John | 17,737,082 | 17,599,957 |
| Total—Maritime Provinces | 61,644,225 | 52,644,269 |
| **Quebec—** | | |
| Montreal | 847,692,219 | 733,645,890 |
| Quebec | 66,074,125 | 66,599,729 |
| Sherbrooke | 6,190,837 | 5,954,373 |
| Total—Quebec | 919,957,181 | 806,199,992 |
| **Ontario—** | | |
| Brantford | 9,140,409 | 8,690,851 |
| Chatham | 8,646,309 | 6,608,020 |
| Fort William | 5,921,475 | 4,794,291 |
| Hamilton | 50,590,596 | 52,627,024 |
| Kingston | 5,845,072 | 4,809,495 |
| Kitchener | 11,900,233 | 9,904,289 |
| London | 41,506,087 | 39,400,215 |
| Ottawa | 154,842,359 | 134,323,066 |
| Peterborough | 5,937,543 | 4,863,101 |
| Sarnia | 6,260,367 | 6,553,052 |
| Sudbury | 6,585,337 | 4,763,137 |
| Toronto | 1,079,615,446 | 962,847,772 |
| Windsor | 36,806,932 | 23,529,691 |
| Total—Ontario | 1,423,598,165 | 1,263,714,004 |
| **Prairie Provinces—** | | |
| Brandon | 2,477,810 | 2,147,724 |
| Calgary | 51,347,961 | 48,609,220 |
| Edmonton | 32,807,810 | 34,643,873 |
| Lethbridge | 3,887,677 | 4,202,395 |
| Medicine Hat | 2,096,194 | 2,068,207 |
| Moose Jaw | 5,846,194 | 4,332,339 |
| Prince Rupert | 2,351,211 | 2,293,940 |
| Regina | 27,556,683 | 33,683,252 |
| Saskatoon | 10,027,648 | 8,831,120 |
| Winnipeg | 423,755,874 | 310,479,202 |
| Total Prairie Prov. | 562,155,062 | 451,291,272 |
| **British Columbia—** | | |
| New Westminster | 5,714,421 | 4,804,446 |
| Vancouver | 135,952,006 | 106,906,045 |
| Victoria | 26,548,189 | 24,750,960 |
| Total British Columbia | 168,214,716 | 136,461,451 |
| Total, Canada | 3,135,569,349 | 2,710,310,988 |

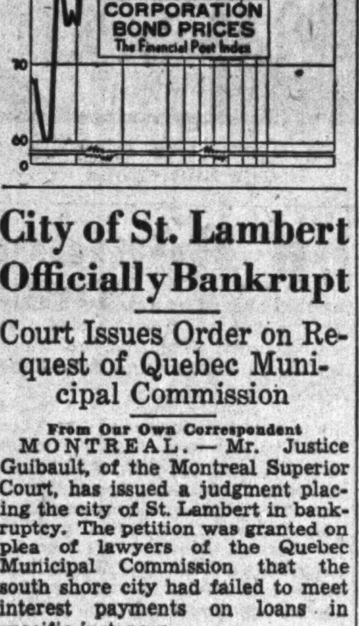
## Loretto Ladies' Colleges Refunding 5's With 4's

Offering of $170,000 of 4% serial bonds of Loretto Ladies' Colleges and Schools, Toronto, is being made by Harris, MacKeen, Goss & Co. at 100. The bonds mature from 1936 to 1951.

Notice has been given of redemption at 101 on Oct. 1, 1936, of all the outstanding 5% bonds of Loretto Ladies' Colleges and Schools. The 5% issue is dated April 1, 1927.

Purpose of the offering of 4% securities is to refund the 5% issue.





# City of St. Lambert Officially Bankrupt

## Court Issues Order on Request of Quebec Municipal Commission

From Our Own Correspondent

MONTREAL. — Mr. Justice Guibault, of the Montreal Superior Court, has issued a judgment placing the city of St. Lambert in bankruptcy. The petition was granted on plea of lawyers of the Quebec Municipal Commission that the south shore city had failed to meet interest payments on loans in specific instances.

Acting in co-operation with officials of the Quebec Municipal Commission, the St. Lambert city council endeavored to solve its financial problems, by refinancing the bonded debt with consent of the bondholders. Negotiations were started but the initial plan was not accepted by the bondholders.

Subsequently, with approval of Commission officials, the city passed a by-law to refund its debt by effecting a new bond issue of $3.3 millions and providing for redemption of all outstanding bonds and bank loans. This by-law was incorporated in the form of Bill No. 19 which was placed before the last session of the Quebec Legislature. It reached and passed the second reading before dissolution of the Legislature with which it automatically fell to the ground.

At the regular council meeting June 15, the city council passed a resolution asking the Quebec Municipal Commission to place the city in default. The petition before the Superior Court, on which judgment has been given by Mr. Justice Guibault, was a direct result of this action.

## Power Corp. Group Reports Larger Output

MONTREAL. — Controlled and affiliated companies of Power Corp. of Canada recorded an increase of 13% in power output during June as compared with the same month a year ago.

Comparative figures of output by company follow:

| June: | 1936 KW.H. | 1935 KW.H. |
|---|---|---|
| Southern Canada | 14,996,440 | 18,027,140 |
| Canada Northern | 48,172,493 | 47,218,232 |
| East Kootenay | 7,736,836 | 6,858,412 |
| B. C. Power | 39,944,829 | 36,139,142 |
| Northern B. C. | 852,760 | 814,380 |
| Winnipeg Electric | 17,040,800 | 17,853,900 |
| Manitoba Power | 35,680,000 | 18,562,000 |
| Northwestern Power | 127,500 | 89,200 |
| Total | 164,551,657 | 145,562,306 |

## Bond Redemptions

| Bond Issues: | Rate | Year | Date | Price |
|---|---|---|---|---|
| B. A. Oil | ‡4% | 1945 | Sept. 1 | 102½ |
| Dom. Canners | 6% | 1940 | Oct. 1 | 110 |
| Mt. Royal T. & T. | 5% | 1970 | Oct. 15 | 103 |
| Thetford-Vimy | 7% | 1944 | Sept. 1 | 100 |
| Silverwood's A | 6% | 1942 | Sept. 1 | 103 |
| Toronto Carpet | *6% | 1944 | Sept. 1 | 103 |
| Tor. Conser. of Music | 5% | 1948 | Sept. 1 | 102 |
| Ottawa L. & Pr. | 5% | 1957 | Oct. 1 | 104 |

For sinking fund; ‡$222,000; *$33,000.

| Stock Issues: | Rate | Stock | Date | Price |
|---|---|---|---|---|
| Ottawa L. & Pr. | 6½% | Pref. | Oct. 1 | 105 |

**Religious Issues**

Notre D. Hospital, Montreal, 5½%, Oct. 1, 102.

Jesuit Fathers of Upper Can., 5%, Nov. 1, 100.

# Foreign Exchange

Once more the possibility of some kind of stabilization agreement is being mentioned. This time the initiative is with France, who has sent Governor Emile Labeyrie of the Bank of France as an emissary to Germany, and, according to rumor, Great Britain and Holland will also be ports of call on a mission of "stabilization," a designation which is subject to more than one definition.

Despite desperate attempts to remain on the gold standard, the consensus of opinion is that France will have to devalue, although probably not in the immediate future. Her industries and commerce have been and still are greatly hampered by the fear of the nation as a whole that the inflation muddle prior to 1928 may be repeated if the franc is divorced from gold.

It is fairly generally agreed that devaluation in France, to be effective, must be accompanied by some sort of stabilization agreement with other leading countries, particularly Great Britain and the United States. Otherwise, a competitive currency war might be begun. By some, M. Labeyrie's tour is viewed as sounding out the possibilities of international currency co-operation—perhaps with an eye to some alteration in the status of the franc, whether it be devaluation or some other form of adjustment.

**FOREIGN EXCHANGE AT TORONTO AND MONTREAL**

| | Par $ | July 28 | July 29 | July 30 | July 31 | Aug. 1 |
|---|---|---|---|---|---|---|
| U. S. dollar, High | .5906 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 |
| Low | .5906 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 1935, High | .5906 | 1.00⅛ | 1.00⅛ | 1.00 1/32 | 1.00⅛ | 1.00⅛ |
| Low | .5906 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 | 1.00 1/32 |
| U. K. pound | 4.8665 | 5.01¾ | 5.02 | 5.01 11/16 | 5.01 11/16 | 5.01¾ |
| Argentina | .4246 | .2761 | .2755 | .2767 | .2763 | .2766 |
| Australia | 4.8665 | 4.0072 | 4.0079 | 4.0086 | 4.0078 | ...... |
| Austria | .1407 | .1892 | .1892 | .1892 | .1890 | .1890 |
| Belgium | .1392 | .1686½ | .1688½ | .1688 | .1685½ | .1686½ |
| Brazil | .1963 | .0585 | .0580 | .0585 | .0587 | .0587 |
| Czechoslovakia | .0296 | .0414¾ | .0414¾ | .0414¼ | .0414 | .0413½ |
| Denmark | .2680 | .2240 | .2242½ | .2241 | .2242 | .2240 |
| France | .0392 | .0661 | .0660¾ | .0660 1/16 | .0658¾ | .0659 |
| Germany | .2382 | .4028 | .4028 | .4028 | .4026 | .4027 |
| Greece | .013 | .0094½ | .0094½ | .0094½ | .0094½ | .0094¾ |
| Holland | .4020 | .6796 | .6800 | .6799 | .6792 | .6797 |
| Hungary | .1749 | .1990 | .1990 | .1990 | .1990 | .1991 |
| India | .3650 | .3831 | .3820 | .3820 | .3818 | .3823 |
| Japan | .4985 | .2933 | .2933 | .2933 | .2935 | .2934 |
| Jugoslavia | .1929 | .0230 | .0230¼ | .0230¼ | .0230¼ | .0230 |
| New Zealand | 4.8665 | 4.0478 | 4.0483 | 4.0471 | 4.0482 | ...... |
| Norway | .2680 | .2567 | .2569 | .2521 | .2522 | .2522 |
| Poland | .1122 | .1898 | .1897 | .1898 | .1896 | .1898 |
| South Africa | 4.8665 | 4.9940 | 4.9949 | 4.9934 | 4.9946 | ...... |
| Spain | .1929 | .1370 | .1370 | ...... | ...... | ...... |
| Sweden | .2680 | .2567 | .2580 | .2588 | .2588 | .2589 |
| Switzerland | .1930 | .3260 | .3260½ | .3259 | .3264 | .3264 |
| Hong Kong | .3422 | .3189 | .3193 | .3140 | .3130 | .3130 |

# CANADA PACKERS LIMITED

## REPORT TO SHAREHOLDERS

Canada Packers Limited closed its ninth fiscal year March 26th, 1936.

| | |
|---|---|
| Profit for the year, after Bond Interest. Depreciation and Income Tax, was | $1,288,011.18 |
| Dividends paid Preference Shareholders | 316,701.00 |
| Available for Common Shares | $ 971,310.18 |
| On 200,000 Shares | $4.85 per Share. |

Out of this sum, it has been decided to distribute during the current fiscal year .. $600,000.00 (i.e. .. $3.00 per Share) as Dividend on the Common Stock.

.... .... ....

An important change was made during the year in the financial structure of the Company. At the close of the last fiscal year there were outstanding ... 58,905 Preference Shares and no Bonds. On January 1st, 1936, these Preference Shares were called at the price stipulated in the Issue, viz. ... $110.00 per Share.

To provide the funds necessary for this operation the Company sold ... $6,000,000 of Bonds. The Issue consisted of:—

$3,000,000 Serial Bonds repayable in one, two, three and four years—Interest, 3%, 3⅛%, 3¼%, and 3⅜%, respectively.

$3,000,000 of 10-year Bonds, Interest rate 4%.

| | |
|---|---|
| For this Issue of | $6,000,000.00 |
| the Company received | 5,970,000.00 |
| The cost to the Company of the Issue was, therefore | $ 30,000.00 |

This sum was absorbed in the Operating Expenses of the year.

It was not without regret that the Directors parted with the Preference Shareholders, most of whom had held Stock in the original Companies dating back many years. However, the transaction reduced the preferred charges against the operations of the Company from ..........$422,268.00 to .......... 215,625.00

An annual saving of ....$206,643.00

In so highly competitive an Industry, the Directors felt they could not forego so important a saving. In times of stress the business will have the advantage of the lighter load.

The reduction in the preferred charges will, of course, inure to the benefit of the Common Shareholders.

.... .... ....

| | |
|---|---|
| Total Sales for the year were | $63,586,883.36 |
| Total Tonnage | 659,706,573 lbs. |
| Net profit for the year | $ 1,288,011.18 |

It will be seen, therefore, that the Net Profit is equivalent to:—

2% of Sales—Dollars
or to 1/5c per lb. of product sold.

As in the previous year, a separate record has been kept of the Profit derived from all the products of all the Canadian Live Stock handled. This was equivalent to:—

10.7c per 100 lbs.
or 1/10c. per lb.

The Directors feel it is important to give prominence to these figures. The Packer admittedly performs a necessary service. Those whom he serves are the Producers, who supply the raw material, and the Public, who consume the product. These have a clear interest in the amount of Profit the Packer makes on his operations. If he makes too much, it is at the expense either of the Producer or the Consumer (or both). If, on the other hand, he performs his necessary service at an extremely small margin of Profit, it is important this fact should be known to those whom he serves.

In view of the figures quoted above, it may seem surprising that the Profits of Packers should ever have been a topic of discussion. The explanation lies partly in the large volume of business done by some of the Packing Companies. Geographic and economic conditions have led to the development of large units within the Packing Industry.

| | |
|---|---|
| On a Volume of 1 Million Dollars, a Net Profit of 2% would be equivalent to | $ 20,000.00 |
| On a Volume of 100 Million Dollars, the same net per cent would yield a Profit of | 2,000,000.00 |

The former sum would attract nobody's attention, whereas, if considered without relation to Volume, the latter seems a very large Profit.

Yet actually the two Profits are exactly the same.

The fact is that large Units have worked out to the advantage of the Producer and the Consumer inasmuch as they have in fact operated at a less percentage of Profit than the smaller units.

.... .... ....

During the year an important step has been taken towards the expansion of the Company's business. Heretofore its most Westerly Plant has been that at Winnipeg. From this Plant it was possible to ship limited quantities of product to Saskatchewan, but none to Alberta or British Columbia. For several years it has been recognized that a Plant in Alberta was necessary to round off the Company's operations, and this year it was felt Working Capital had reached a point at which the expansion might be undertaken.

It was decided, therefore, to build a Plant at Edmonton, Alberta, and work upon it was begun in March last. The Plant will be completed some time in September. Although smaller than the Company's Plants at Toronto and Winnipeg, it will be the finest Packing House in Canada. Probably it is within the facts to say it will be the finest on the North American Continent. It has been planned with extreme care. The equipment throughout is of the most modern and efficient type. In addition, great care has been taken with the exterior.

The total Investment, including Branches necessary for the distribution of its products throughout Alberta and British Columbia, will be about ....................$1,000,000.00.

For the Producer of Live Stock, the year under review has, on the whole, been an encouraging one. Cattle prices are still low, and the outlook none too clear. But Hog prices and Sheep prices have been high throughout the year. And even Cattle prices are a good deal better than two years ago, or three years ago.

To one who may be inclined towards a pessimistic view of the Live Stock outlook, the best corrective is to look back over the record of the six depression years. And particularly to compare conditions today with those of the low point.

That point occurred between September 1932, and March 1933. Although removed from it by less than four years, it is difficult now even to recall how depressing the outlook then was. The improvement (from that point) has been gradual, and for this reason one does not realize until the comparison is actually set up how greatly Farm prices have advanced.

The following table gives this comparison for the periods:—

| | Sept., 1932, to March, 1933 | and | Sept., 1935, to March, 1936 |
|---|---|---|---|
| Wheat, No. 1 Northern, Port Arthur | 46.9c | | 85.6c |
| Bacon Hogs, f.o.b. Ontario Country Points | 3.81 | | 8.03 |
| Lambs, Toronto Market | 5.50 | | 8.12 |
| Good Steers, 1,050 lbs. down, Toronto Market | 4.27 | | 5.35 |
| Butter, Toronto Market | 21.99 | | 24.17 |
| Cheese, Toronto Market | 9.69 | | 12.43 |

Agriculture is Canada's basic Industry. More than upon any other factor, the economic welfare of Canada depends upon the prosperity of her Farms.

To promote the welfare of the Farmer should, therefore, be the first item of national economic policy. If at times those responsible for national policy have appeared to lose sight of this, the reason is not indifference, but the fact that it is not easy to assist Agriculture by legislative enactment. In the case of a manufacturing Industry, the seemingly obvious method of assistance is that of Tariff protection. But except within the narrowest range, Agriculture cannot be helped by Tariffs.

Obviously Agricultural welfare depends chiefly on the prices of Farm products. Every Government in Canada sincerely wishes to advance prices of Farm products. The problem is to know how it can be done. The solution will derive not from the study of this or that surface feature, but of the underlying factors which determine Farm prices.

In regard to these there must be important lessons to learn from the experience of the last six years, and as an aid to deducing these, the accompanying graph (at the end of this Report) is useful. It depicts the course of prices of three chief Agricultural products — Wheat, Hogs, Cattle—for the period March 1930, to March 1936.

First amongst the deductions to be drawn from this 6-year perspective is that most important point already mentioned, viz., that declines cannot continue forever, and that falling prices in the end bring about their own correction.

The fact was that after prices had kept falling for three years, and then dragged on bottom for almost another year, many Farmers and others began to wonder whether, perhaps, the old economic laws had been superseded, and whether we were going through economic territory for which no chart existed.

The reassurance (that low prices ultimately lead to higher prices) has its chief value, perhaps, not for today, but for to-morrow. For our own generation may be called upon to face another major depression. It certainly will if the war clouds which now seem gathering should actually break. In that case the high prices of the next war period would be followed at some stage by another calamitous decline. And mankind would need whatever aids to its courage there are to be had from the study of the depression from which it is now emerging.

.... .... ....

But other and more fundamental deductions are to be drawn from the graph. Chief amongst these is the fact that the total value received for a year's crop depends upon the form in which it is marketed. The primary crops, Wheat, Oats, Barley, Fruits, Vegetables, etc., can be sold as such. Or they can be converted (through the medium of live stock) into Meats, Butter, Cheese, Eggs, etc. As between the most advantageous and least advantageous methods of marketing a single year's crop, the difference in the cash value to the Producers may be scores of Millions of Dollars.

For instance, during the six years covered by the graph, there has been a surplus of Wheat and of Cattle greater than the available external outlets would absorb. The causes are well known—in the case of Wheat, the closing of markets due to the frenzy for national self-sufficiency; and in the case of Cattle, the narrowing of Canada's main outlet (that to United States), by the Hawley-Smoot Tariff of 1930.

In respect of Hogs, on the other hand, an opposite situation obtained. By reason of the Ottawa Agreement an outlet existed for Wiltshire Bacon (at highly profitable prices) much greater than Canada had the product to fill. During these three years Great Britain would have taken the product of **1¼ million Hogs** per year **more** than were actually shipped.

Wheat can be converted into Hogs. A Bacon Hog can be produced from approximately 16 bushels of Wheat. If, out of the surplus of Wheat, there had been produced during each of these three years an extra ... 1¼ million Hogs, the amount of Wheat consumed in the process would have been 20 million bushels per year. This conversion would have yielded the producers a very large profit—as between the market value of the Wheat at the Farm and the market value of the Hogs at the Farm. Moreover, by absorbing 20 million bushels of Wheat per year it would have helped materially to relieve the burden of the overhanging surplus.

.... .... ....

The above illustration brings us back, as does every similar discussion, to this fundamental proposition—that the problem of making the most of Canada's Farm crops is that of finding markets abroad for the surplus.

Canada has a vast Agricultural area and a relatively sparse population. Even in lean years she produces a very large surplus. This surplus has a special significance inasmuch as the price obtainable abroad for the surplus determines the price not only of the product exported, but also of the product retained at home.

For instance, the price the Canadian Farmer gets for **all** his Wheat is determined by the price received for the **surplus** at Liverpool. Similarly, the price for all his Hogs is determined by the price received for the surplus (in the form of Wiltshire Bacon) in London.

From the above, the following deductions ensue:—

(1) That the development of markets abroad for Farm products must always be a major objective of Canadian trade policy.
(2) That Canada should plan to adjust production of its chief Agricultural products so that the surplus shall conform to the outlets for those products which exist abroad.
(3) Conversely, that she should produce a sufficient surplus of each product to fill all the profitable outlets which do exist.

It is a simple matter to talk of Agricultural planning for Canada. But to direct or divert production, even to a slight extent, is a problem involving the greatest difficulties.

For the decisions as to production are made on 700,000 farms. Each Farmer decides what he will produce, in the main without reference to the decision of any other Farmer.

And yet the matter is one of such importance that some attempt at solution must be made. Probably the best plan is continually to place before the Farmers the broad facts regarding Canada's external market outlets. As his grasp of these facts becomes firmer the Farmer will himself tend to adjust his operations to fluctuating market conditions.

To illustrate from the experience of the last three years. There must have been a good many thousands of Farmers in Canada who might, to their great advantage, have converted Wheat into Hogs if they had foreseen more clearly that for three years there would be a surplus of Wheat which could not be cleared, and at the same time a deficiency of Hogs.

Perhaps it would be worth while to add to the existing multitude of Farm Bodies an Agricultural Advisory Council. This Body might correspond in the field of Agriculture to the General Economic Council suggested recently for Canada. Its membership might consist of three or four representative Farmers, and an equal number of persons most familiar with the problems of marketing Canada's chief crops. The Chairman might perhaps be the Federal Minister or Deputy Minister of Agriculture.

Such a Body meeting three or four times a year to review the broad problems of Agricultural marketing might, by its recommendations, eventually gain the confidence and attention of the Farmers and become the medium through which individual Farm production would be adjusted to national outlets.

.... .... ....

It has been the practice in these Reports to discuss the special factors immediately affecting the markets for Hogs and Cattle. Certain references to these have already been made, and space remains only for a highly condensed summary.

**HOGS:**

Throughout the year conditions have been very favourable. For the calendar year 1935 the average price for Bacon Hogs, f.o.b. Ontario Country points was ... 8.22c. per lb.

The explanation is well understood. Under the Ottawa Agreement Canada was given a quota of 2,500,000 Hogs. In 1935 Canada's shipments amounted to only one-half this quota. And in 1936 shipments will probably not exceed 1,500,000 Hogs.

This is a great misfortune. If the Quota had been filled a large Profit would have been made upon the extra Hogs. But a more important consideration still is that Canada would have become established upon that basis in the British market. The Ottawa Agreements expire in 1937. Preliminary conversations are now being held looking toward their renewal. Final negotiations will take place a year from now. It is of the greatest importance that shipments during the coming year should be as near the Quota as possible. Unfortunately in most parts of Canada, Oats and Barley—the Grains from which Hogs are chiefly produced—are a poor crop. In the past a failure in these crops has been followed by a decline in Hog production.

In view of the pending negotiations such a decline this year would be a calamity. It is of the greatest importance that these facts should be clearly understood by Farmers, and that they should be urged to increase the production of Hogs. This will mean feeding other Grains, especially Wheat. But in spite of the advanced price of Wheat there will still be a Profit in the operation.

**CATTLE:**

For the past six years prices for Cattle have been more discouraging than those for any other major Farm product. The explanation is chiefly the Hawley-Smoot Tariff of 1930. This Tariff increased the Duty against Canadian Cattle from ... 1½c. per lb. to ... 3c. per lb. Because of low prices in United States this Duty of ... 3c. per lb. had the effect practically of excluding Canadian Cattle during the years 1931 to 1934.

As the result of the drought in 1934 there was a scarcity of finished Cattle in United States in 1935. By reason of this, prices advanced to a high level, and Canadian Cattle began to move into United States in spite of the ... 3c. barrier.

As a result of this movement, between January and June, 1935, prices advanced more than ... 2c. per lb. But in the latter half of the year half this advance was lost.

.... .... ....

In November, 1935, the Trade Agreement was arranged between Canada and the United States whereby, on a limited number of Cattle, the Duty was reduced from ... 3c. per lb. to ... 2c. per lb. Under this Agreement the Quota assigned to Canada plus Mexico was ... 155,799 Cattle. Of this Quota up to July 1st Canada had shipped ... 11,393 Cattle. It seems certain that the Quota will be filled early in October. Thereafter for the balance of the year, the Duty on Cattle moving from Canada to United States will be ... 3c. per lb.

In spite of the reduction in Duty, prices of Cattle are ... 1½c. per lb. lower than in 1935. The reason has been that Cattle prices in United States are ... 2½c. per lb. lower than in 1935.

This does not mean that the Canadian-American Trade Agreement has been of no value to Canada. The fact is that Canadian prices would have been probably ... 1c. per lb. lower if the ... 3c. rate had been in effect.

The outlook for Cattle is still not encouraging. It may be the drought conditions in United States may result in a scarcity of finished Cattle during the Spring of 1937—similar to that of 1935. In this case prices next Spring will be higher.

But the permanent solution of Canada's Cattle problem is to secure better terms from United States. Probably that Country will never again open its borders to unrestricted shipments of Canadian Cattle. A Quota seems henceforth inevitable. But the Quota should be more liberal than the present one. Canada's surplus of Cattle is about ... 200,000 per year, and such a Quota could easily be absorbed in United States, as it would be equivalent to only about .. 1% of the total Cattle marketed in that Country.

But more important still is the rate of Duty. If it is agreed that a certain number of Cattle should be shipped, it makes no difference to the American Producer what Duty, or whether any Duty is imposed. The arrangement which would best meet the Canadian requirements would be a Quota of 200,000 Cattle admitted without Duty.

It is not to be expected that the United States would make any such concession except for an adequate **quid pro quo.** But Canada is the best customer of United States, and this fact is one of the bases of the Trade Agreement. The terms sketched above are quite reasonable terms for Canada to ask. The present Agreement runs until 1938. During the interval the Canadian Government should be preparing the mind of the Washington Administration for these terms.

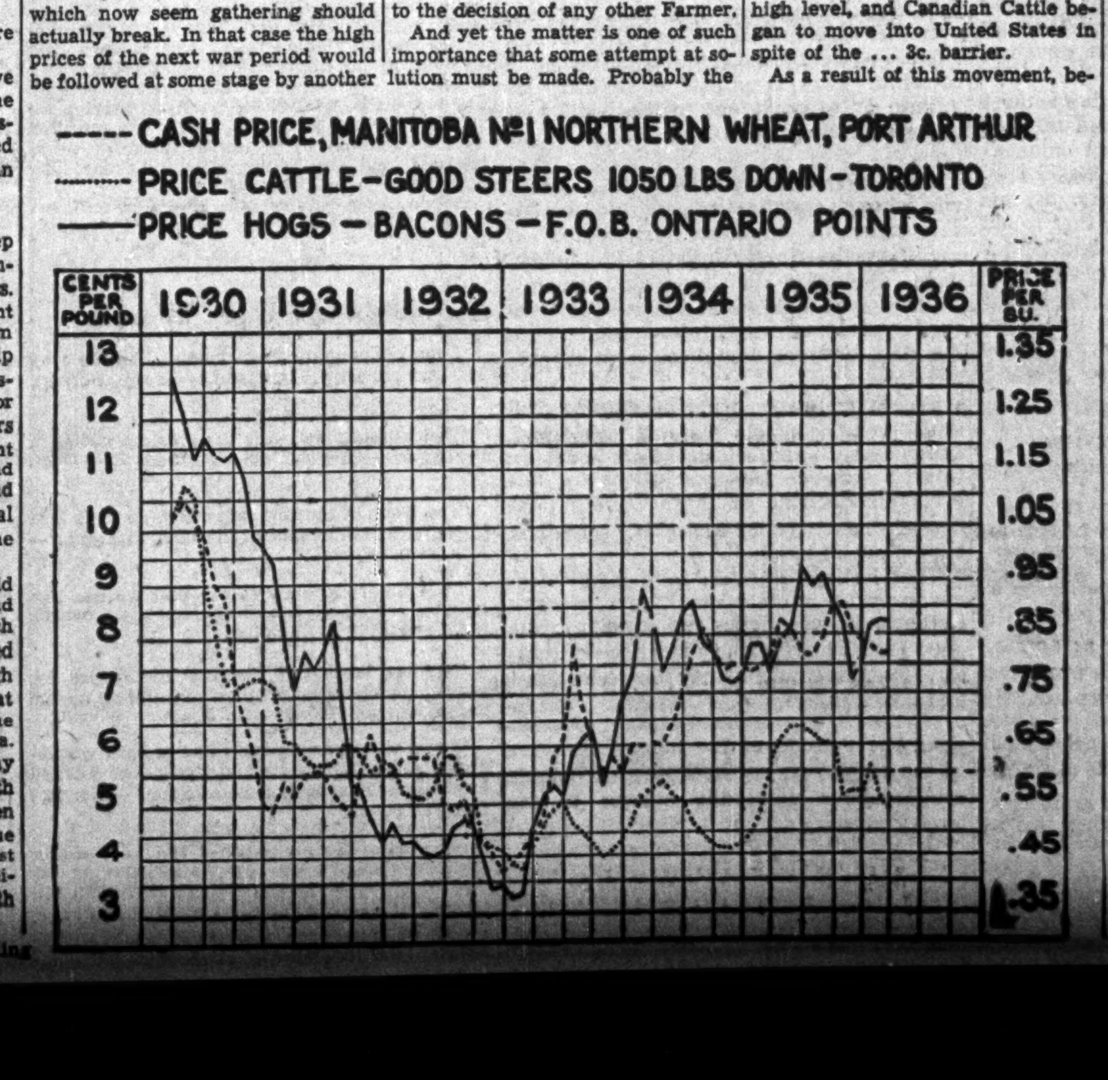
... .... ....

As in previous years, a copy of this Report will be sent to each Employee of the Company. The Directors wish to express to the Employees their sincere appreciation of the loyal and efficient service rendered the Company during the year.

J. S. McLEAN,
President.

Toronto, 25th July, 1936.

*Extra copies of this Report are available, and so long as they last will be mailed to anyone requesting them. Address to Canada Packers Limited, Toronto.*



## Municipal Finances

**London, Ont.** is likely to end the current year with a deficit of between $60,000 and $70,000 in its relief account, city officials estimate. Out of $150,000 provided in the 1936 estimates for the city's share of direct relief, $117,600 was spent in the first 6 months, leaving $32,400 for the last half of the year. A special report has been submitted with suggestions which would offset the anticipated deficit.

* * *

**Brandon, Man.** has made arrangements with the Imperial Bank of Canada for a further loan of $24,000 to $25,000 for payment of long outstanding relief accounts. The loan is being guaranteed by the Province of Manitoba, a stipulation made by the bank.

* * *

**York Township, Ont.** and the Ontario department of municipal affairs are both firm in their resolve against yielding on the question of the township imposing an additional relief levy of 5.4 mills. The township refuses to make the additional levy and the matter is expected to go before the courts. Taxpayers of the township who oppose the tax take the stand that relief is a federal-provincial responsibility.

* * *

**London, Ont.** has received approval of the Ontario Municipal Board for the issue of $486,581 of debentures to meet costs of relief projects carried out in 1935. The money was borrowed from the bank at the time the relief work was done. The new debentures will not be marketed but financed through the sinking fund, without interest charges by corporations.

* * *

**Regina, Sask.,** reports collection of nearly 57% of the 1936 tax levy. From January 1 to the end of June $1,333,713 was collected, compared with $1,272,300 in the same period of 1935.

* * *

**Edmonton, Alta.** school board will not accept payment at "half price" of Alberta debenture interest due on its holdings of Alberta debentures. The board faces a loss of $6,545 in interest annually under the provincial government's proposal.

* * *

**Town of Jonquière, Que.** has been authorized by the provincial secretary of Quebec to deposit at the Banque Canadienne Nationale an amount sufficient to cover payment of the town's bond interest coupons to August 1, 1936.

* * *

**Vancouver, B.C.,** tax collections up to July 25 were almost $500,000 higher than in the same period of 1935. Receipts of current taxes and arrears totalled $3,066,263 against $2,599,267 in the same period last year.

## Obituary

**Edwin Hawken,** chairman of the National Harbour Commission, at his summer home near Ottawa. He was fifty-six.

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TORONTO, AUGUST 8, 1936

## Mining Grows Up

THE current year is turning out to be a most successful one for the Canadian mining industry. Production of metals, particularly gold, will be at an all time high. Dividends will also break all previous records. The number of properties active is unprecedented. Old areas, like Red Lake, are again springing to life, and new areas in Quebec, Ontario, and as far north as Lake Athabaska and Slave Lake are being opened up.

All this is, of course, of great import to the future of the industry. But perhaps the one factor of most lasting significance to mining is that the attitude of leading Canadians, and Canadian organizations has, in the past 12 months, changed materially toward the mining industry. Viewing the fast moving picture objectively, this appears to be the most important development of the year.

Cases could be cited in which long-established industrial financial houses have entered the business of financing mines to production. The federal government has recognized the proportionate importance of the industry in re-allocating its cabinet portfolios, as well as in its 1936 budget. Banks, in their literature, have also given evidence of the new feeling toward mining.

What is the reason for this change?

Simply that the mining industry is growing up. It can no longer be said to be the especial preserve of sharpsters, although, of course, there are crooks in the business as well as in other businesses. There will probably always be crooks in mining, because of the speculative phase. But even this speculative phase has been reduced enormously, through scientific exploration, geophysical prospecting, and in other ways, in recent years.

Mining is no longer the rowdy relative in the financial family. It has shown itself to be a worthy offspring, with, perhaps, the faults of youth. The significant fact is that Canada's financial fathers are beginning to realize what rewards this lusty youth will pay to intelligent handling and a sane approach.

## World Trade Revival

ALTHOUGH the first four months of 1936 show considerable improvement, the upward climb of world trade continues at a disappointing rate. League of Nations figures reveal the volume of international trade in the first quarter of the year to be but three per cent higher than in the same period last year, and only nine per cent above the first quarter of 1933.

Complete evidence is hard to obtain, but the record of individual countries seems to indicate that where gains have been made, they are about equally divided between those countries where important trade agreements have been made and those where the chief stimulus has come from recovery of domestic business. Thus for the first 4 months of the year, a survey made by the International Chamber of Commerce shows the four countries with the largest gains in exports to be, in order of achievement, South Africa, Belgium, New Zealand and Australia. The increases range from 42 to 26 per cent. Three of these countries belong to the British Empire, but whether the improvement is to be laid primarily at the door of the Ottawa pacts or at the fundamentals of domestic business recovery is a hard question to answer.

Similarly with Belgium, which has achieved spectacular gains in trade with U.S.A. following the trade agreement with that country 12 months ago, but which, according to one of its leading citizens, has many other factors to credit for its trade gains including "the general improvement in economic conditions and the devaluation of the Belgian currency."

For some time there have been those who felt international trade had reached the limit of expansion without international co-operation in clearing away currency, quota and tariff barriers. Events seem to have proved, however, that sound financial and economic policies leading toward domestic business recovery can have a very potent influence in restoring blocked trade channels without the international co-operation which is ideally so desirable.

## Liberty Worth Preserving

EIGHTY years ago, Lord Macaulay wrote to a friend in New York:

> ". . your government will never be able to restrain a distressed and discontented majority. For with you the majority is the government, and has the rich, who are always a minority, absolutely at its mercy."

Macaulay feared Democracy as applied in and to the United States. He preferred a benevolent despotism or government by the educated, property-owning classes. Democracy, he thought, might get foolish if and when hard times came. He said:

> "In bad years there is plenty of grumbling here, and sometimes a little rioting. But it matters little, for here the sufferers are not the ruling."

His remark came to mind the other day when a certain Canadian industrialist remarked apropos of Communist-inspired relief agitation in and around Toronto:

> "If these fellows have their way, pretty soon *they* will be the masters and *we* will be the slaves."

The remark is not cited as an evidence of the way the average Canadian industrialist feels about things. In fact, repetition of the remark to a number of industrialists, heads of companies employing men by the thousand, brought first a hearty laugh and then a more sober expression of regret that, in this supposedly enlightened day, there still exists in Canada even one large employer who could make a remark that implied quite clearly his belief that the capitalists should be the rulers and the workers the slaves.

Macaulay saw pretty clearly what could be and usually is wrong with Democracy. But he did not see quite as clearly the things that are wrong about despotism, whether political tyranny or industrial oligarchy.

Maybe Democracy is working badly. But how much better is tyranny working in Germany or Italy today? How much better did it work in France under the Louis's or in Russia under the Czars.

Various people would choose differently if they had to name the one thing most worth fighting for. But there would be many who would select personal liberty as the most valuable asset, not only of the individual but of society. Complete personal liberty is hardly possible except under a Democracy. It is not always possible there, and even to the degree that is retained under Democracy, it is bought at a high price in demagoguery, political ineptitude and worship of false gods.

The remedy however is not to throw out Democracy with its priceless privilege of freedom for the individual. The remedy is, through the decades, to educate the masses of the people for citizenship, for membership in society, for service to the state.

## Hogs Versus Wheat

WHILE Canada has been searching the world for new markets for wheat a profitable outlet right at her doors has been neglected. That outlet was capable of absorbing 20 million bushels per year and would have paid in the neighborhood of 85 cents per bushel for comparatively low grade grain right at the farm.

The surplus wheat, however, would not have been sold in the form of grain but as bacon hogs to Great Britain. Practically ever since the signing of the Ottawa agreements there has existed in the United Kingdom a market capable of absorbing one and quarter million more hogs than have actually been exported from Canada. During this period hogs have averaged well over 7 cents per pound or $14 per 200-pound bacon type animal.

Just what might have happened had Canadian wheat farmers possessed the necessary hog foundation stock is pictured by J. S. McLean, president, Canada Packer's Ltd., in his annual statement as head of that company. Mr. McLean says:

> "Wheat can be converted into hogs. A bacon hog can be produced from approximately 16 bushels of wheat. If, out of the surplus of wheat, there had been produced during each of these three years an extra 1¼ million hogs, the amount of wheat consumed in the process would have been 20 million bushels per year. This conversion would have yielded the producers a very large profit—as between the market value of the wheat at the farm and the market value of the hogs at the farm. Moreover, by absorbing 20 million bushels of wheat per year it would have helped materially to relieve the burden of the overhanging surplus.

## The Church as Economist

NO ONE will deny the need for an understanding on the part of the churches of economic and social problems. No one will deny the right of a minister to condemn what is unjust in industry or finance or to point out to the leaders of business their human and social obligations.

The church does not have to turn economist, though, to give leadership in the development of character. Hundreds of preachers have misconstrued their job, have attempted to interpret economic theories or adumbrate new ones. Too often the result has been false prophecy of the kind that they would condemn in matters theological.

Preachers today do not hesitate to deal with credit control, planned economies, debt, money and such economic concepts. Church societies pass resolutions for this economic doctrine or that. Church publications denounce profits, combines, tariffs, out of hand.

That he is a Rightest in theology does not prevent a clergyman from being a Leftist in his economics and sociology. The good Dean of Canterbury is a Social Crediter. Fundamentalists may be technocrats and moderators may be Utopians. Preachers whose study of money never got beyond the episode of the money changers in the temple do not hesitate to tell their congregations what the answer to the money mystery is.

Venturesome excursions into the regions of extreme economic hallucination must, of course, weaken the power of the church. But even less impractical economic discussion from the pulpit is apt to detract from the spiritual effort of the church. A clergyman may be wrong in preaching even right economics, if in doing so he forgets to build characters.

The richer economic life, the more secure social life are not going to be the product of systems, of 'isms, of textbook doctrines. These are but incidental. Precedent to the successful application of any new concepts in the industrial and financial world there must come new spiritual values; a broader realization of the idea of the brotherhood of man; clearer meanings for the human equations back of dollar signs. Such things can come through the development of character; and character building is the big job of the church. When it puts aside that task to toy with the empty symbols of passing economic philosophies it embroils itself in bitter quarrels instead of opening the minds of men for the reception of more fundamental truths.

One American writer, Charles M. Adams in the Economic Forum, goes so far as to charge the church with the very things it holds against business: callousness in raising money by any means; operation of publishing houses to earn the "profits" it attacks in business; acceptance of interest on its invested funds when it condemns "usury" and debt; payment of pitifully low wages to secular employees, etc. He questions too if clergymen are capable of passing on economic issues any more than a manufacturers' association would be competent to pass resolutions on the subjects of papal infallibility, vicarious atonement, the immaculate conception and so on.

These points are pertinent but may be passed by to reach the more important consideration: namely that the church has too much work ahead of it in character building to waste time on technical discussions in economics.

Given character in its people, no nation will be troubled by economic exploitation, social injustice or political corruption. Character is the product of home, school and church.

## Editorials in Brief

**As the counting** of ballots in the Manitoba "Proportional Representation" election went on day after day there must have been some confusion in the public mind as to whether it was getting the results of the 1936 or the 1932 election.

In view of the lack of decisiveness in the result another election may be forced within a year. It is to be hoped that all the ballot-counting in this election will have been finished before the new election comes around.

"P. R." is slow and expensive. And it makes for indecisive elections with small groups of politicians holding the balance of power and using their advantage to bargain for political benefits entirely disproportionate to their voting strength.

## Post-Scripts

### Casa Loma, Canada's Lone Castle

THE Brockville Recorder and Times checks up on The Financial Post in its reference to Boldt castle in the Thousand Islands. In an article on Casa Loma, the Pellatt white elephant, in Toronto, The Post said that it was perhaps the only castle in Canada outside of one in the Thousand Islands. Says the Brockville paper which ought to know:

> "But Hart Island, upon which Boldt castle stands, is in United States rather than Canadian waters."

What happened, of course, was that The Financial Post went to the wrong authority for the information. Fortune magazine for February, 1930, put "Heart" Island in Canada. And it described Boldt castle in these terms:

> "Architecturally, at least, Heart Island in Alexandria Bay is a medieval barony. New Yorkers sailing past its towers and turrets find them curiously reminiscent of their own Waldorf Astoria Hotel, which was wrecked last year. This is no casual resemblance, for George C. Boldt, owner of the Waldorf and outstanding among hotelmen of a generation ago, once planned to make the island into a summer home for himself and his wife. Their plans were ambitious, and the architects and builders were told that money was no object. From the Boldt quarries on Oak Island came barges of granite for the walls of the castle, the Alster Tower, and the Romanesque power house. These buildings had been nearly completed; the island had been changed into the shape of a heart; a fish pond, a lake for swans, an Italian garden had been created; about $2,000,000 had been spent on the project. Then Mrs. Boldt died. All work was stopped; the workmen left the island. In a few years the gardens were overgrown with weeds, the ponds choked with water plants; the buildings suggested medieval relics, their stone chambers empty and silent. Though Mr. Boldt returned to the St. Lawrence, he never visited Heart Island again."

Checking up again to make sure, we called the Canada Steamship Lines office in Toronto and asked one of the young men to look at the navigation maps of the river for us. He came back and told us that the island was in "international waters," which might have been a neat way out of the dispute. But we questioned his statement, whereupon he said he would run out and ask the captain of the boat just leaving for the islands. At that moment, the conversation was interrupted by a terrific blast of noise. "Sorry," said the young man. "It's too late; that's the boat just leaving."

So we never did find out. However, we'll believe the Brockville paper. Its editor lives down that way.

## Sayings of the Week

"I am a Communist but I don't like the way they are running it in Spain."—*George Bernard Shaw.*

* * *

"The banking system is the greatest racket in the world."—*Eric J. Poole, M.P. for Red Deer, Alta.*

* * *

"The trend of thought today is to do one's best to prevent a recurrence of the 1929 cataclysm."—*Hon. Frank Carrel.*

* * *

"It is a narrow view to say that we can live only by that which can be subjected to scientific tests."—*Arthur H. Campton.*

* * *

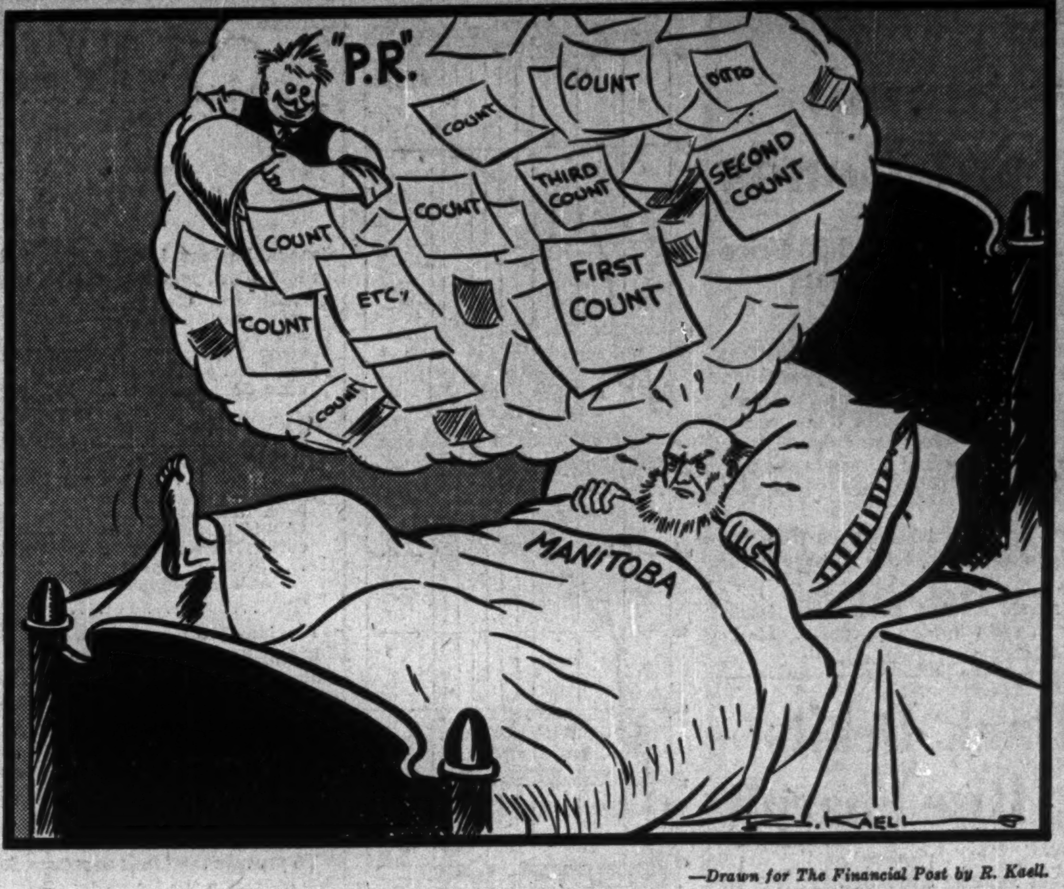
"German labor and German intelligence for years have had a large share in building up the South African Union."—*Dr. Hjalmar Schacht.*

* * *

"I owe whatever success I had to hard work—a day and a half of it—and I've never worked hard since. That taught me a lesson."—*Clarence Darrow.*

* * *

"One who chooses political life as a career must be able, like Shakespeare's 'Hotspur', to slay 6 Scots before breakfast, and say 'Fie upon this quiet life'." — *Wilbur C. Cross, governor of Connecticut.*



—*Drawn for The Financial Post by R. Kaell.*

THE NIGHTMARE

## Macaulay on Democracy

*A reader suggests that we reprint the letter written by Lord Macaulay to a friend in New York in 1857. He thinks that Macaulay's prophecy as to the evil consequences of accepting Democracy in the United States have been fulfilled.*

*The letter has appeared in a number of publications in recent years. For those who have not seen it, it will hold some interest and is here reproduced.*

*A discussion of some of the points raised appears in the editorials on this page.*

Dear Sir:

You are surprised to learn that I have not a high opinion of Mr. Jefferson, and I am surprised at your surprise. I am certain that I never wrote a line, and that I never, in parliament, in conversation or even in the hustings—a place where it is the fashion to court the populace—uttered a word indicating the opinion that the supreme authority in a state ought to be entrusted to the majority of citizens told by the head; in other words, to the poorest and most ignorant part of society. I have long been convinced that institutions purely democratic must, sooner or later, destroy liberty or civilization, or both.

In Europe, where the population is dense, the effect of such institutions would be almost instantaneous. What happened lately in France is an example. In 1848 a pure democracy was established there. During a short time there was a strong reason to expect a general application, a national bankruptcy, a new partition of the soil, a maximum of prices, a ruinous load of taxation laid on the rich for the purpose of supporting the poor in idleness. Such a system would, in twenty years, have made France as poor and as barbarous as the France of the Carlovingians. Happily the danger was averted; and now there is despotism, a silent tribute, an enslaved press, liberty is gone, but civilization has been saved.

### Poor Plunder Rich

I have not the smallest doubt that if we had a purely democratic government here the effect would be the same. Either the poor would plunder the rich, and civilization would perish, or order and property would be saved by a strong military government, and liberty would perish. You may think that your country enjoys an exemption from these evils.

I will frankly own to you that I am of a very different opinion. Your fate I believe to be certain, though it is deferred by a physical cause. As long as you have a boundless extent of a fertile and unoccupied land, your laboring population will be far more at ease than the laboring population of the Old World; and while this is the case the Jeffersonian policy may continue to exist without causing any fatal calamity. But the time will come when New England will be as thickly peopled as Old England. Wages will be as low, and will fluctuate as much with you as with us. You will have your Manchester's and Birmingham's. Then your institutions will be fairly brought to the test.

### Sufferers, Not Rulers

Distress everywhere makes the laborer mutinous and discontented; and inclines him to listen with eagerness to agitators, who tell him that it is a monstrous iniquity that one man should have a million while others cannot get a full meal. In bad years there is plenty of grumbling here, and sometimes a little rioting. But it matters little, for here the sufferers are not the rulers. The supreme power is in the hands of a class, numerous indeed, but select, of an educated class, of a class which is, and knows itself to be, deeply interested in the security and the maintenance or order. Accordingly, the malcontents are firmly but gently restrained. The bad time is got over without robbing the wealthy to relieve the indigent. The springs of national prosperity soon begin to flow again, work is plentiful, wages rise, and all is tranquillity and cheerfulness.

### Foreboding the Worst

I have seen England three or four times pass through such critical seasons as I have described. Through such sessions the United States will have to pass in the course of the next century, if not of this. How will you pass through them? I heartily wish you a good deliverance.

But my reason and my wishes are at war, and I cannot help foreboding the worst. It is quite plain that your government will never be able to restrain a distressed and discontented majority. For with you the majority is the government, and has the rich, who are always a minority, absolutely at its mercy. The day will come, when, in the state of New York, a multitude of people, none of whom had more than half a breakfast, or expects to have more than half a dinner, will choose the legislature. Is it possible to doubt what sort of legislature will be chosen? On one side is a statesman preaching patience, respect for vested rights, strict observance of public faith. On the other is a demagogue ranting about the tyranny of capitalists and usurers, and asking why anybody should be permitted to drink champagne and to ride in a carriage while thousands of honest people are in want of necessaries? Which of the two candidates is likely to be preferred by a workmen who hears his children cry for bread?

### All Sail, No Anchor

I seriously apprehend that you will, in some such season of adversity as I have described, do things which will prevent prosperity from returning; that you will act like some people in a year of scarcity, devour all your seed corn, and thus make the next year a year, not of scarcity, but of absolute failure. There will be I fear, spoilation. The spoilation will increase distress. The distress will produce fresh spoilation. There is nothing to stay you. Your Constitution is all sail and no anchor. As I said before, when society has entered on its downward progress, either civilization or liberty must perish. Either some Caesar or Napoleon will seize the reins of government with a strong hand, or your Republic will be fearfully plundered and laid waste by barbarians in the twentieth century as the Roman Empire in the fifth; with the difference that the Huns and Vandals ravaged the Roman Empire came from without, and that your Huns and Vandals will have been engendered within your own country by your own institutions. Thinking this, of course, I cannot reckon Jefferson among the benefactors of mankind.

MACAULAY.

London, May 23, 1857.

## London and Canada

### The Printed Word

Ontario voters do not as a class visit Threadneedle Street, Cornhill, or that "Bank" corner which is possibly as busy a spot as there is on this earth. If Ontario voters did talk with men there who watch the flow of money in this direction or that, the present Ontario government would not be quite so sure that the course it followed in 1935 with respect to the Hydro contracts was precisely the correct course.

The manager of the London agency of one of the Canadian chartered banks had told us that up to the end of 1934 the buying of Canadian dollars with sterling was an activity of his branch which was assuming boom-time proportions. The London representative of a bond house reported that the final quarter of 1934 was the biggest period in sales of Canadian securities in London which had been experienced by his firm in 25 years of London operation. But the next 6 months was the worst.

First there was McGeer with his proposals re forced conversion, or whatever you like to call it, of Vancouver debentures. Then the passing by the Ontario government of the Hydro legislation, caused further declines. And in August Mr. Aberhart was elected on a promise to pull purchasing power out of a magician's hat.

Canadians in London appear to think that the Hepburn-Roebuck policy did more harm to Canadian credit than either of the other 2 incidents. The reasons for this are that Ontario is the largest and most stable of the provinces—the province where opinion would generally be less alien to British views—and because the Hepburn government was on the surface a government subscribing to the principles of an old and great party which normally could be trusted to govern intelligently. Mr. McGeer, it was held, might be a political accident of a kind likely to occur in hard times, while Alberta was known previously to observant City people as a region of political experiment. Neither McGeer nor Aberhart was shocking. But for Ontario in its sovereignty to repudiate a contract was as startling as it would have been for the Women's Christian Temperance Union to renounce its abhorrence of beer.

Investment funds follow neither the flag nor any other sentiment. The British investor, above all, is impassive and is never vindictive. At present he is inclined to view the Canadian field as one which, taking one consideration with another, may well be passed over for fields where at least the old parties have not been taken over by political radicals. Some day, of course, the flow of British money will again come in this direction. But we could have used more of it in 1935 and 1936—at least the refunding of maturing government obligations in London might have been profitable from the point of view of the taxpayer.

## He Moves to Canada If F. D. R. Wins Again

### News Article in the New York Herald-Tribune

"In the event that Roosevelt is re-elected at the coming November election the entire Horseshoe Quail farm, located near Carthage, North Carolina, will be offered for sale due to the fact that the owner will immediately move to Canada. The property is complete, with sufficient equipment in good condition to raise between five and six thousand quail. Large log cabin with bedroom, living room and kitchen fully equipped. Fine dog kennels recently built to accommodate twelve dogs. Also six thoroughly broken quail dogs. Ford station wagon—guns—boat and fishing equipment. Leases for shooting privilege on 20,000 acres of land will also be for sale. Full description on request. Julian T. Bishop, Carthage, N.C."—*Advertisement in the July issue of "Game Breeder and Sportsman."*

Julian T. Bishop, who is a broker, owns a home in Greenwich, Conn., and is descended from a line of Democrats, was asked yesterday what had led him to the decision expressed in his advertisement. He seemed pretty much aroused.

"That's just exactly what I'm going to do," he said. "Why? Because I think we'd go through hell for four years more and I don't want any part of it. I thought to myself, 'What the hell. If this fellow gets in I'm through.'"

Mr. Bishop is forty-six years old. His grandfather, William D. Bishop, was president of the New York, New Haven & Hartford Railroad, for many years. Mr. Bishop was formerly associated with the firm of Charles D. Barney & Co., stock brokers, of 14 Wall Street. Now he maintains an office there and does some brokerage business.

"I don't think he's going to win but if he does I'll go in a minute," he said. "I'm against everything they've ever done in any way and every member of the administration.

"I can see us having the worst times that we've ever had in this country. I don't think they can go on with these haywire plans, piling up the debt, and come out on top.

"I don't think a bunch of fellows who were in Harvard when I was in Yale are smart enough to run the government. They're working just on theory with a lot of socialistic ideas in their heads."

In the event of President Roosevelt's re-election, he said, he would go to Canada and start a grouse farm and not come back until things had changed. He did say, however, he would come back from time to time to attend to his brokerage business. He felt that if there was a re-election a lot of other persons would follow him out of the country. He said he had received numerous replies to his advertisement.

## Other People's Views . . . .

### Half a Century Old

### The Globe, Toronto

By way of marking its half-century of publication the Smiths Falls Record-News has issued an excellent 46-page edition. The number is replete with stories of the development of this splendid Ontario town, and there are interesting sketches of those earlier citizens who had so much to do with its progress. The paper began as the Rideau Record in 1887 and in 1919 was amalgamated with the Smiths Falls News.

Editorially the Record-News says, justly, that its success has been "due to the fact that it has followed the principle of fairness and impartiality, and also because at all times it has not been afraid to take a definite stand on any matter or project pertaining to the welfare of the community."

The Record-News is to be congratulated on its half-century of progress.

## In the Mail

(Not over 200 words, please)

### Right to Relief

Editor, The Financial Post.

". . . The Communist agitators are responsible for those on relief making themselves into spectacles of ingratitude. Relief recipients are taught by them to regard themselves as having the same right to relief as a working man to his earnings . . . etc."

If your paper wants the continued respect of its many readers throughout Canada, it will cease to print this vicious type of thing. By what line of reasonable argument can you maintain that those on relief have not the same right of sustenance as those who happen to be employed? Unwittingly, perhaps, you seem here to be propounding something very near to the monstrous philosophy of the French Aristos of 1785!

Then further, your reasoning is illogical when you compare Canada today with Russia today. You must compare Russia today with the Russia of twenty years ago. The other comparison cannot come until the new generation in Russia has more nearly overcome the educational deprivation of centuries, under Czarist régimes.

B. WOOD.

Saskatoon.

**Editor's Note:** Reader Wood cleverly changes the word "relief" to "sustenance" to make his point. The Financial Post questions no one's right to "sustenance." When opportunities to work for a living are offerred to unemployed and refused by them The Financial Post questions their "right" to relief.

### Discourteous and Arbitrary

Editor, The Financial Post:

Cavalcade asks why a different rate of duty is collected from one importer than from another for the same article? Why is it often impossible to obtain justice in regard to the payment of duties, drawbacks, and refunds without employing a middleman? Why can one not get an intelligent acknowledgment of a letter written to the government asking for information?

Are the laws and intentions of Parliament to be strangled and overruled by incompetent administration, or ignored after reference to the local M.P. being dependent on the applicant's political completion, instead of by expert official direction?

For instance, rates of duty on foreign imports are fixed, in certain instances subject to a "dumping" rate, under Sec. 6. (1) of the Customs Act, with a proviso that—"Said special duty shall not exceed 50% ad valorem in any case."

On Christmas tree lights, used in almost every home in Canada, sold in Japan at about $1.50 per M., and in the United States at $9 per M. the "dumping duty" would be about $1.35 per M. On these the customs undertake to add to the regular normal duty an imposition of over $20 per M. in duty, sales tax and excise. This was never done before in our business experience. All previous entries were passed at normal duties and taxes.

What seems accountable for this is the inability of the appraisers to understand the meaning of the word "similar." They think, apparently a piece of red glass polished in a 20-cent item of jewellery, must be assessed for duty at the valuation of a genuine ruby. To them it is "similar," and so must pay the ruby rate of duty.

And when pressed for a tangible reason for the absurd decision, they evade the salient features, and, when that fails, refuse an answer, either "intelligent" or otherwise.

All departments of government, however, are not alike. I had a complaint a little later to the Hon. Minister of Railways. I received a prompt, courteous reply, and as quickly as mails could carry, I received a straightforward and equitable adjustment in the matter complained of. There is a difference.

LEWIS P. TANTON.

Charlottetown.

## New Books . . .

**QUEBEC: WHERE ANCIENT FRANCE LINGERS. By Marius Barbeau. Published by the Macmillan Co. of Canada, Toronto. Price $2.50.**

Dr. Barbeau has been one of the most industrious recorders of French Canada's passing individualism. In this volume he deals with the survival of French influences in the arts and crafts. Painting, silver chasing, masonry, wood carving, weaving, singing—all are dealt with in fascinating text that is richly adorned with photographs, drawings and engravings.

Dr. Barbeau's volume is one that will appeal equally to the tourist visitor to Quebec, to the collector and to the Canadians interested in the more ancient of our traditions.

Dr. Barbeau ends on a note of disappointment. There is still much expert knowledge and talent scattered throughout the province, but it is dying out for lack of usefulness. No one seems to be singling out and developing for the benefit of Canada and her people, arts and crafts that have long flourished in Quebec under the influence of the early French traditions. Thus we are losing the mainspring of fine arts and great industries.

### Isolation Is Ineffective

Dr. Barbeau: "French Canada has lost confidence in itself and will not help materially, outside of patriotic speeches, in its own cultural salvation. Nor would it welcome guidance from outside." And there is a significant political as well as cultural touch in this sentence, "Isolation no longer is a preservative, and vital traditions are becoming a dead letter. The melting pot is now boiling on the St. Lawrence."

The volume is interesting not only for its content but for its format. Paper-bound in the manner of so many French publications, it is produced by a photo-lithographic process which enables the numerous illustrations, originally done in a variety of techniques, to be produced with uniform effectiveness.

## Stop Me If You've Heard This One . .

The London-Aberdeen express neared its destination.

"It's been a long and tiring journey, hasn't it?" said the Englishman.

"Aye," agreed the Scotsman, "an' sae it ought to be for the money."

**Week in Business**

# Many Industries Share In Employment Gain

## Increases in July Range as High as 27% — But Employment Still Below "Normal" Despite Apparent Trend of Figures

The buoyancy of this summer's business in Canada prior to the drought tragedy of early July is clearly shown in official employment figures showing conditions in all trades and services at July 1. On that date the 9,744 employers who co-operated in this monthly "sample" of the Dominion Bureau of Statistics reported 987,955 persons at work. This is 5% higher than corresponding figures a year ago and is a much better than average gain for the month. It brings the July index number of employment to a higher point than in any other year since 1930.

Careful study of these figures as between various types of business uncovers interesting facts as to where business recovery is most active. Thus comparison of July figures with those of the same date last year shows the following industries leading in employment gains on a percentage basis: Musical instrument industries up 27%; wood distillate industries 25%; railway construction and maintenance 20%; machinery firms, metallic mineral plants and electrical apparatus industries each up 16%; iron and steel fabrication 15%; non-metallic mineral plants (except coal) 13%. Other groups to show a 10% gain include: heating appliances, paper products and furniture plants.

• • •

### *Jobs and Recovery*

Since wide circulation is given to the employment figures of the D. B. S. at Ottawa it is important periodically to see what they mean in the large picture of national recovery.

The compilation which appears for public consumption in the form of an index number takes as its base the year 1926. Thus average employment during that year is shown as 100. And at the present time the bureau index—after allowance is made for the wide seasonal fluctuations which occur in employment—is hovering once more at the 100 mark after 10 years of violent fluctuation above and below the line. This is often incorrectly construed as meaning that employment in Canada is once more back to normal, since 1926 has been accepted as a "normal" year by most statisticians and economists. Such a view overlooks entirely the fact that meanwhile a large addition has been made to Canada's working force. Just how great this increase has been is difficult to ascertain exactly; it can be indicated, however, by the fact that Canada's population in the intervening decade has increased 16%.

Put another way, for every 100 men at work in 1926 there were 120 busy (according to the official "sample") in 1929; only 80 at the low point of the depression. Today there are the same number of people working as there were 10 years ago but meanwhile the index number of 100, which in 1926 represented "normal," should probably be somewhere between 115 and 120 to allow for the increase in population. So there is still that much "slack" to be taken up.

• • •

### *The U. S. Outlook*

A glance at the business situation in the United States reveals weekly business indices reached new high points in the recovery movement during July. This is a remarkable occurrence in view of the seasonal slackness that usually develops in that month.

Two reasons are doubtless responsible. On the one hand there is the steady forward movement of recovery which has been under way now for nearly 2 years and has exhibited just as determined tendency to gain momentum upwards as was the case in the opposite direction 5 or 6 years ago. The other factor is the continued stream of government money by way of relief, soldier bonus payments, farm subsidies and so forth that is being poured into trade and commerce. Cash expenditures of the government during the past fiscal year are placed at the astounding total of $7.2 billions; for 1937 the figure is estimated at $8.5 billions (excluding the bonus)—more than half of which will be spent during the current 6 months.

Looking to the future a forecast by Whaley-Eaton's monthly publication "Sphere" says the United States can expect an expansion of bank credit due not only to stronger commodity prices but also to the higher tempo of business generally, and no outburst of labor troubles till after the election, when the struggle will be transferred to Congress. "Landon's election," it says, "would induce stabilized business confidence, but the return of Roosevelt would assure the continuance of inflationary influences and this would affect trading."

### *Changes of the Week*

### *Favorable*

**Carloadings** for the week ended July 25 were 3% above corresponding figures for the same week last year. The gain was well distributed, the largest change being a sharp increase in grain shipments in the east which almost offset a falling off in the west.

**Construction contracts** awarded though slightly less than at this time last year showed increased activity in private construction. Decline due to lower volume of public building work given out a year ago.

### Business Indicators as Compiled by The Financial Post

▲Denotes new figures this week.

| | WEEKLY DATA —Latest— 1936 | 1935 | —Cumulative Total— Jan. 1 to date 1936 | 1935 |
|---|---|---|---|---|
| **Transportation—** | | | | |
| Car loadings (July 25) | ▲44,706 | 43,342 | 1,307,112 | 1,288,124 |
| C.N.R. gross earn. (July 31) | $ ▲5,179,801 | $ 5,134,802 | $ 100,957,725 | $ 95,029,508 |
| C.P.R. gross earn. (July 31) | $ ▲3,883,000 | $ 3,834,000 | $ 73,619,000 | $ 65,665,000 |
| **Business Conditions—** | | | | |
| Weekly index D.B.S. (July 25) | ▲110.6 | 100.0 | ...... | ...... |
| **MONTHLY DATA** | 1936 | 1935 | 1936 | 1935 |
| **Business Conditions—** | | | | |
| Financial Post index (June) | 110.1 | 101.3 | ...... | ...... |
| **Transportation—** | | | | |
| C.P.R. net revenue (June) | $ 1,175,549 | $ 1,403,812 | $ 6,790,999 | $ 6,062,018 |
| C.N.R. net revenue (June) | $ 9,442 | $ 495,685 | $ 2,475,040 | $ 2,167,536 |
| **Iron and Steel (June)—** | | | | |
| Pig iron production (tons) | 56,362 | 44,555 | 340,335 | 259,777 |
| Steel ingots and castings prod. (tons) | 82,196 | 73,450 | 578,700 | 388,163 |
| **Automobiles (Number)—** | | | | |
| Passenger Car: | | | | |
| Domestic sales* (June) | 10,089 | 9,698 | 61,687 | 57,036 |
| Factory output (June) | ▲13,126 | 12,276 | 86,364 | 90,390 |
| Trucks and Buses: | | | | |
| Domestic sales* (June) | 2,447 | 2,042 | 13,156 | 11,110 |
| Factory output (June) | ▲3,274 | 3,469 | 19,584 | 20,939 |
| Exports (June) | ▲5,738 | 5,835 | 30,075 | 37,216 |
| **Construction—** | | | | |
| Building permits (June) | $ 4,580,740 | $ 5,104,855 | $ 17,500,420 | $ 24,640,511 |
| Contracts awarded (July) | $ ▲17,868,500 | $ 18,549,240 | $ 95,577,000 | $ 94,143,700 |
| **Newsprint (tons)—** | | | | |
| Production (June) | 270,051 | 222,020 | 1,489,263 | 1,286,273 |
| Exports, tons (June) | ▲576,177 | 227,215 | 1,652,882 | 1,163,548 |
| **Sugar (lb.)** | | | | |
| Melting & sales§ (raw) | ▲96,053,265 | 93,608,459 | 303,134,553 | 291,101,960 |
| Manufactured§ | ▲92,455,481 | 87,364,302 | 292,386,286 | 294,392,109 |
| **Flour (bbls.)—** | | | | |
| Production (May) | 1,196,339 | 1,164,322 | 5,378,549 | 5,142,549 |
| Wheat flour exports (June) | 430,171 | 429,561 | 2,291,172 | 2,242,945 |
| **Trade—** | | | | |
| Retail trade (index no. of sales) (June) | ▲74.1 | 70.8 | ...... | ...... |
| Imports (June) | $ 61,795,177 | 46,731,689 | 298,080,583 | 260,372,393 |
| Exports (June) | $ 79,181,200 | 58,504,829 | 423,148,144 | 350,032,873 |
| Wheat exports (bush.) (June) | 25,763,565 | 6,494,622 | 94,587,586 | 45,005,121 |
| **Employment, D.B.S. Index (July 1)—** | | | | |
| All industries | ▲104.6 | 99.5 | ...... | ...... |
| Manufacturing | ▲104.7 | 98.5 | ...... | ...... |
| **Electric Power Output (June)—** | | | | |
| Total monthly (000's omitted) | 2,028,695 | 1,816,250 | 12,440,079 | 11,380,094 |
| **Other Industrial Indices—** | | | | |
| Lumbering: | | | | |
| Plank & board exports M. bd. ft. (June) | 169,550 | 129,800 | 654,585 | 587,165 |
| Boot & shoe prod., pr. (May) | 1,795,518 | 2,032,751 | 9,320,902 | 8,907,936 |
| Crude petrol. imp. gal. (May) | 103,517,363 | 131,131,917 | 323,829,524 | 328,749,567 |
| Cotton imports, lb. (June) | 7,415,651 | 7,397,290 | 69,618,556 | 51,051,879 |
| Raw rubber imp., lb. (June) | ▲4,574,180 | 3,215,286 | 24,611,428 | 29,939,867 |
| Coal imports, tons (May) | 1,360,026 | 1,485,060 | 3,342,676 | 3,637,479 |
| **Finance—** | | | | |
| Bank debits (June)† | $ 3,135,569 | $ 2,710,310 | $ 17,246,852 | $ 15,216,135 |
| Bond sales (May) | $ 45,531,750 | $ 70,542,182 | $ 544,578,864 | $ 208,452,156 |
| Life insurance sales (June) | $ 32,277,000 | $ 32,112,000 | $ 187,760,000 | $ 181,555,000 |
| **Automobile Financing (June)—** | | | | |
| Used cars (June) | $ 3,389,507 | $ 2,286,465 | $ 13,549,375 | $ 9,472,973 |
| New cars (June) | $ 3,954,222 | $ 2,669,173 | $ 17,357,147 | $ 13,132,586 |

*D.B.S. All-Canada figure comprising over 90% of the Canadian total. †000's omitted. §For 4 weeks to June 13. ‡Final.

## *Population Down In Prairie Towns*

Preliminary returns of the 1936 census of Manitoba, Saskatchewan and Alberta reveal that population of towns and villages in the 3 prairie provinces at June 1 was lower than that of 1931 in no fewer than 63 towns and villages.

Only 31 showed increases over the 1931 totals and 2 remained stationary.

Figures are subject to revision, but the downward trend of population figures is clearly evident in many areas. Manitoba towns and villages to record declines were Emerson, Rapid City, Hamiota, Foxwarren, and Garson.

Saskatchewan towns showed a number of population losses during the 5 years. Among them were Assiniboia, Alsask, Cabri, Caron, Craik, Gravelbourg, Hanley, Herbert, Langham, Leader, Lumsden, Macklin Town, Morse, Mortlach, Ogoma, Rosthern, Rouleau, Shannavon, Strassburg, Sutherland, Unity Town, Vonda, and a number of villages.

Alberta towns were an exception, nearly all showing small gains in population, and while the villages of Mundare, Penhold, Ranfurly and Trochu recorded population losses, the majority of Alberta villages moved against the trend in other prairie areas to show gains over 1931.

# World Trade Reveals Gains

## Most Countries Show Increased Imports and Exports During 1936

A bird's eye view of the state of trade in leading world countries is contained in the current issue of World Trade, journal of the International Chamber of Commerce.

Highlights of the survey include evidence that foreign trade continues on the upward grade despite imposition of sanctions and under circumstances where foreign exchange restrictions, quotas and clearing agreements place serious obstacles in the way of natural development.

Thus for 31 countries representing 80% of world imports and exports, 26 increased their exports during the first 4 months of 1936 compared with the same period last year, and 23 increased their imports.

### South Africa Leads in Exports

The gains in exports ranged from an increase of almost 42% by South Africa down to decreases ranging from 3% in the case of Switzerland to 11% for Egypt. Other countries to show declines are France, Jugoslavia and Argentina.

The increase for Canada in the period was shown at 15.16%, which places her tenth on the list.

### Import Figures

Gains in import trade range from an increase of 52% for Belgium-Luxembourg down to decreases ranging from 1% for Denmark to almost 19% for China. Other countries to show a falling off include Argentina, Spain, Germany, British India, Netherlands, East Indies and Switzerland.

The gain in Canadian imports was placed at 11.3%, there being 15 other countries to show a higher percentage gain in the period.

### Industrial Production Improves

Analysis of industrial production during the first 3 months of 1936 showed further improvement in 11 out of 18 leading industrial countries, which is accompanied by a decrease in unemployment in 15 countries. The unemployment absorbed, however, cannot be ascribed exclusively to increased industrial production, as in certain countries measures not directly connected with economic activity have been taken to relieve the situation. Thus in Austria, production dropped 6.5% while unemployment decreased at the same time by 5.4%.

The largest gain in industrial production was in Chile, where the increase was 16%, followed by Japan with a gain of 11%. The largest decline in unemployment was in Finland, recording a drop of almost 34%, followed by Germany with a drop of 23%. Canada is reported as showing a decline in industrial production for the period of 2.71% and an increase in unemployment of .37%.

### Prices Irregular

Similar analysis of the price structure throughout the world during the first quarter of 1936 records irregularity as compared with the "steady trend toward an equilibrium between wholesale and retail prices which developed during the whole of last year."

Of 30 countries reporting, 13 showed higher wholesale price levels, and 12 an increase in the cost of living. The largest increase in prices was for Portugal with a gain of 7.91%. Argentina reported the largest increase in cost of living with a gain of 3.82%. During the period Canada reported a decline in wholesale price levels of 1% and a decrease in the cost of living of the same amount.

**Background of Business**

# National Motor Show To Open November 7

## One Maker Expected to Show 1937 Models at C. N. E. — Seamen Plan National Union — New Cotton Fabric

With August now under way the Canadian automotive industry is slowing down to summer tempo and already looking forward to its big winter show. The marked success of last year's early motor show in smoothing out the customary year-end sales slump is to be stressed as the rallying point for the 1937 campaign and the dates chosen for the National Motor Show at Toronto are November 7 to 14.

This will actually be 4 days earlier than the big New York inaugural, November 11, which means Canadians will be able to preview the new cars ahead of New Yorkers on account of an unusual situation complicated by the U. S. elections (Nov. 4) and other fixed dates over which the motormen have no control.

One maker—Studebaker—is reported to be ready to launch his 1937 model in time for showing at the Canadian National Exhibition at the end of August.

Meanwhile demand for 1936 models continues at satisfactory tempo except in rural areas affected by drought conditions.

• • •

### *$76.5 Millions*

Official figures of car sales for the first 6 months show Canadians spent $76.5 millions for new motor cars and trucks in the first 6 months of the year. Of this total $63.1 millions went for passenger cars (a gain of 11.7% over 1935) and $13.3 millions for new trucks and buses.

The latter figure is up no less than 20.5% over corresponding figures for 1935 due in part to the excellent showing of June, which reported sales 44% better (by value) than in the same month last year.

• • •

### *Seamen's Unions Merge*

Amalgamation of 2 seamen's unions was carried through recently in Toronto following a conference of the Marine Workers Union and the National Seamen's Union.

Operating under the National Seamen's Union with a Canada-wide charter, the total membership of the 2 unions among seamen of the Great Lakes and salt waters now totals more than 1,000, according to the conference. Headquarters are in Montreal and offices will be opened in Toronto and at main ports of the Great Lakes. An organization drive will begin shortly with the object of organizing all vessels sailing under the Canadian flag into one body. The aim is to enlist 5,000 men on all Canadian ships, both in the Great Lakes and salt waters.

• • •

### *Shipping Tie-up?*

And according to Whaley-Eaton Service of Washington, the big labor problem in the United States is not in the steel industry, where Lewis, it is believed, is "almost certainly financing a flop," but in the shipping industry.

"The Seamen's Union," says this Service, "is now in virtual control of the Gulf and Atlantic, as well as the Pacific ports. Even if Bridges, the nominal leader, should be reasonable, he would have difficulty in controlling the Union. What the administration fears is a tie-up of all ports in October. The existing agreement expires September 30, but negotiations for a substitute begin a month earlier. The outlook is now very grave."

Fortunately the Canadian picture at the Pacific Coast, at least, is tempered by the new 5-year pact between longshoremen and operators, which it is hoped, will avert major troubles in this regard.

• • •

### *New Cotton Fabric*

Experiments with a special type of cotton grown exclusively in the Sea Islands (British West Indies) have enabled cotton spinning experts to make a discovery which manufacturers believe will open up a profitable new market for Lancashire and provide a new dress material at low prices. A yarn spun from a special type of cotton by a secret process produces in the woven fabric an appearance resembling silk.

The yarn, which the producers say will yield a fabric as lustrous as satin and as absorbent as wool, is 3 times as strong as ordinary cotton, but is finer and softer. It can be dyed any shade without special processing, and tests have proved that it is not affected by climatic conditions and laundering, and that it is as durable as linen.

The firm is New Textiles, Ltd., of Manchester.

• • •

### *Burnt Coffee*

The Brazilian Government continues to attempt to keep the coffee market up by destroying the surplus. Its programme, according to New York advices, requires that planters give up practically free to the government 6,600,000 bags or 30% of the new crop, which will be destroyed by burning in order to more nearly balance the supply and demand picture.

To compensate the planters for the loss of this coffee, it is expected that the government will provide the impetus for an advance in prices and in this connection has been buying coffee on the New York Exchange, says Canadian Grocer.

• • •

### *Cutting Costs*

From the Canadian Institute of Plumbing and Heating comes the suggestion that manufacturing groups in this industry should devote serious consideration to reducing costs by interchange of special lines. The idea is that in such an item as plumbers' brass goods, such an interchange would achieve longer runs for the individual manufacturer on the pattern he specializes in, thereby reducing costs per unit considerably.

It is urged that with the proper study a basis can be found whereby competing firms will receive sufficient inducement to discontinue production of uneconomic items and purchase these at an attractive price from other manufacturers better able to handle them.

Suggested obstacles to be overcome are reluctance of each company to leave many patterns lying idle; fear of dependence upon a competitor becoming permanent for supplies of discontinued lines; possibility of individual trademarks or names appearing in the individual pattern. One constructive suggestion made is that the exchange discount among manufacturers be increased to 12½ or 15%, as compared with the present rate of 5 to 10%.

### Commodity Prices

| | Latest week | Previous week | Same week last yr. |
|---|---|---|---|
| Cattle | $6.00 | $6.00 | $6.50 |
| Hogs | 10.00 | 9.75 | 10.60 |
| Copper, lb. | .09¾ | .09¾ | .08 |
| Cotton, lb. | .1289 | .1390 | .1190 |
| Rubber, lb. | .1644 | .1631 | .1215 |
| Sugar, raw, lb. | .0365 | .0370 | .0320 |
| Silk, lb. | 1.67 | 1.63 | 1.59 |
| Wheat (Man.) bus. | 1.10 | .95½ | .81⅝ |
| Coffee, lb. | .08¼ | .08¼ | .06⅝ |
| Hides | .11¼ | .11 | .09½ |
| **Weekly Indices** | | | |
| N. Y. Annalist | 126.7 | 125.1 | 125.0 |
| Fishers' | 83.7 | 83.2 | 81.7 |
| N. Y. Journal of Comm. | 82.7 | 81.8 | 79.8 |
| Crumps (Brit.) | 70.0 | 69.8 | 64.2 |
| U. S. Labor | 80.3 | 79.5 | 79.2 |
| Canada (D.B.S.) | 74.7 | 74.2 | 71.4 |
| **Monthly Indices** | Latest month | Prev. month | Same last year |
| Canada (D.B.S.) | | | |
| Retail (June) | 80.0 | 80.1 | 78.8 |
| W'sale (June) | 72.3 | 71.8 | 71.4 |
| U. S. Labor (June) | 79.2 | 78.6 | 79.8 |
| Gt. Brit. (May) | 77.3 | 80.5 | 77.2 |

Note: The base of indices is that 1926 equals 100. The British index is Board of Trade converted to 1929 = 100 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: Sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft.-W.-Pt. A. basis; hides—No. 1 packer light native cows, New York; hogs—select bacons, Toronto.

## Harding Carpets Has New Process

### Artloom Rugs to Be Made For Canadian Market

Harding Carpets Ltd., Brantford, has arranged with Artloom Corp., Philadelphia, to manufacture in Canada a special line of rugs using a patented process of Artloom Corp. on a royalty basis.

Machinery is being shipped by the Artloom Corp., and Harding Carpets will have the exclusive right to manufacture and market the rugs in Canada. The company has ample room in its Brantford plant for the expansion.

It is understood the outlay involved is comparatively small since the machinery is supplied by the Philadelphia firm. There will be some increase in the factory staff.

### Special Process

The special process rugs have been highly successful sellers in the U.S. market, and are sold retail. They will appear on the Canadian market late in the fall season.

Full details of the patented process are to some extent secret. It is known, however, that one feature of the process is the ability of the machinery to weave 2 rugs at a time, face to face, to be split subsequently into single rugs. The result is understood to be marked economies in costs.

## B. C. Electric Railway Wins High Advertising Honors

B. C. Electric Railway Co., Vancouver, has won the highest awards for public relations newspaper advertising and also for its gas appliance newspaper advertising in the annual contest of the Public Utilities Advertising Association of Canada and the United States.

The company also won an award of excellence in the poster advertising class. James Lightbody is publicity manager.

In announcing the awards, Kenneth Magers, advertising manager of the Union Gas & Electric Co., Cincinnati, said the B.C. Electric campaign was the greatest single victory in the contest.

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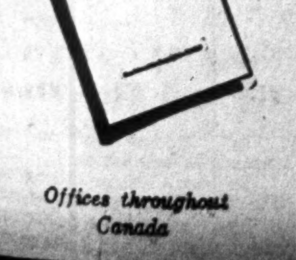

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# In The Construction World

### *Neglect Cheap House*

REPEATING a warning that has recently been heard in Canada, the Federal Housing Administration of Washington announces that real estate dealers and house builders are overshooting their markets. Too many houses in the $3,000 and up class, exclusive of lot, are being built, it is stated, and not enough of the $1,200 to $3,000. Until the latter are provided in volume this authority maintains the present housing shortage will continue. It is maintained that over half the market is being neglected because the construction industry is erecting houses that it likes to build rather than those that people can buy.

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### *Tax Handicap*

MAXIMUM development in Canadian construction cannot be expected until something is done to lower the pressing burden of taxation in the larger cities, Major L. L. Anthes, president of the Anthes Foundry Company, states in Sanitary Engineer. High municipal taxes, he said, constitute one of the biggest problems which the construction industry is facing today and one which is largely responsible for the lack of interest in new construction. Major Anthes attributes the failure of the Dominion Housing Act to use anythink like the whole of its $10 millions housing fund in Canada this year to this burden on industry.

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### *Sell More Roofs*

CONCRETE evidence of the increased interest in Canadian Housing is found in the latest summary of asphalt shingle production compiled by the Dominion Bureau of Statistics. Such shingles, it should be noted, are used almost entirely in residential construction, either in new or re-roofing jobs.

A gain of almost 80% in production is reported for the first half of the current year as compared with 1935. And the latter registered a substantial advance over 1934. Compared with a year ago, June, 1936, is up more than 50%. Of equal significance is a gain of almost 20% in June over May. This indicates that instead of housing construction falling off, as might be considered natural with the advance of summer, activity is being more than maintained.

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### *Provide for Growth*

MANY a factory and office building has become obsolete before its time for the simple reason that no provision was made for adjustment or expansion in its original construction. It may be that the electrical services were skimped. Adequate provision must be made today for the many electrical appliances which help to keep the wheels of big business running smoothly.

Often it is old-fashioned partitioning which is at fault. With massive permanent divisions, there is no opportunity for economic office expansion. It is estimated that an extra door placed in an interior masonry wall at the time the building is erected costs but a few dollars. But later when a tenant decides that a new connection between offices is necessary the bill may amount to well over a hundred. With modern almost soundproof, but at the same time easily removable, partitions there is no difficulty about internal shifting.

Certainly all the services should be checked, lighting, heating, cooling, cleaning, water, gas and telephone, and ample allowance for future loads should be provided. The wealth of improvements in the last few years would definitely indicate that even our most advanced type of office buildings and factories today are not going to remain modern without constant attention.

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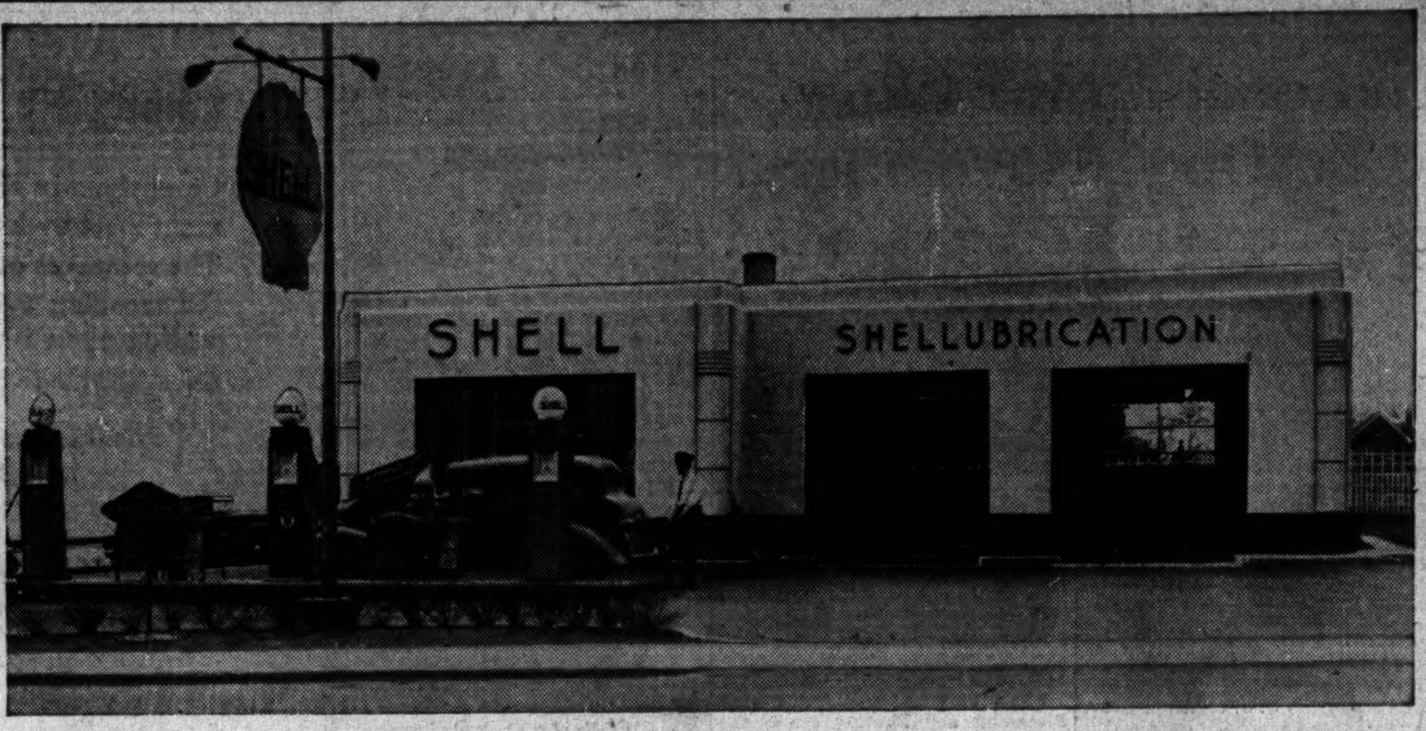
### *In Building By-laws Too*

IN BUILDING by-laws, too, there must be room for expansion and improvement. In many centres there has been little recognition of scientific developments. One product is barred, for instance, because it is not fire-resistant, yet when science makes that product as safe as steel, so far as fire is concerned, the old regulations against it may remain.

Oil companies in the United States are turning to enamelled steel construction for service stations. Advantages are obvious. Such buildings are easily kept gleaming without constant painting. They are absolutely fireproof. Though they can be taken down readily and moved to another location, they are as rigid and solid as the most massive stone or concrete construction. They are easily insulated. Yet Toronto bans them because the wall thickness of this new material does not come up to a by-law thickness which was originally laid down with bricks, stone and other masonry in mind.

**Bulman's Ltd.**, manufacturers of canned and dehydrated fruits and vegetables at Vernon, B.C. has increased plant capacity and warehouse accommodation to expand operations in canned and dehydrated apples, asparagus, spinach, beets, carrots, etc., in addition to the former main product, tomatoes. Total capacity will be little changed.



*NEW BUILDING MATERIAL FOR SERVICE STATIONS*

Porcelain enamelled steel is now being used for the construction of its new service stations by the Shell Oil Co. of Canada. A damp rag instead of frequent painting will be all that is necessary to keep these plants gleaming. One such station was opened at Windsor last week and another is in operation at Barrie, Ont. Civic building regulations, which frown on the one-inch fully insulated walls, however, will bar construction in some cities.

# *Canada Million Ahead Of 1935 Construction*

Total construction in Canada during July showed a decline of almost $3 millions from June and a drop of about $1 million from July a year ago. For the first 7 months of the year, however, the total is still over $1 million ahead of the corresponding period in 1935.

Moreover in practically all the main classes except business building there is a substantial improvement over a year ago, and it is under business building, it should be noted, that much of the publicly-sponsored construction is listed. Such building amounted to several million dollars in the first 7 months of 1935.

### Decline Seasonal

Bearing in mind the gradual withdrawal of the Dominion Government from the building picture, as private construction gets under way, then the decline in July is largely regarded as seasonal. By this time the bulk of the big outside construction jobs, such as road building, bridges and sewer work, have been awarded for the season, and from now on more or less routine contracts will be the rule. July awards, all types, according to MacLean Building Reports, Ltd., amounted in estimated value to $17,868,500. This is a decrease from the July, 1935, figure, which was $18,549,200, and from the June, 1936, total, which was $20,803,400.

Awards for buildings in the residential group for the year to date amount to $22,285,400 as compared with $20,640,300 for the first 7 months of 1935. Business buildings, in which group public buildings are included, show $21,268,500 for this period as against $29,771,500 in 1935. Industrial undertakings have definitely expanded, the awards showing $10,155,800 as compared with $6,460,800 for the 7 months in 1935. Engineering is up to $41,867,300 from the corresponding amount of $37,271,100 for 1935.

Aside from Vancouver most of the big cities of Canada registered considerable declines in construction activity during the first half of 1936. There appears to be 2 main reasons for this trend. First—government-sponsored construction is still comparatively active in Vancouver where it started later than in Winnipeg, Toronto and Montreal. Second—in the big eastern cities, particularly, much of the recent residential activity has taken place in the suburbs.

Details are as follows:

**Buildings by Cities**
(Permits issued)

| | 1936<br>6 mos.<br>$ | 1935<br>6 mos.<br>$ | 1934<br>6 mos.<br>$ |
|---|---|---|---|
| Halifax | 526,880 | 294,025 | 359,715 |
| Sydney | 54,725 | 20,350 | 8,825 |
| Saint John | 63,691 | 70,795 | 121,185 |
| Montreal | 2,293,555 | 4,421,415 | 1,607,905 |
| Quebec | 564,415 | 1,212,926 | 202,476 |
| Three Rivers | 50,025 | 41,245 | 254,665 |
| Westmount | 146,578 | 71,430 | 219,746 |
| Brantford | 67,034 | 123,440 | 87,943 |
| Fort William | 106,200 | 75,400 | 89,400 |
| Guelph | 33,953 | 204,109 | 53,562 |
| Hamilton | 565,976 | 1,251,915 | 345,755 |
| Kingston | 102,754 | 96,889 | 69,847 |
| Kitchener | 149,820 | 205,020 | 116,381 |
| London | 296,070 | 1,340,127 | 250,035 |
| Ottawa | 971,610 | 2,202,075 | 608,425 |
| Peterborough | 107,149 | 92,706 | 76,775 |
| Port Arthur | 103,979 | 94,219 | 48,782 |
| Stratford | 26,227 | 16,985 | 22,371 |
| St. Catharines | 90,480 | 71,764 | 47,540 |
| Sarnia | 42,463 | 42,778 | 58,729 |
| Toronto | 3,092,190 | 5,215,395 | 2,491,778 |
| York Townships: Forest Hill and Swansea | 2,621,512 | 2,116,007 | 1,500,837 |
| Windsor | 308,186 | 181,232 | 48,261 |
| Brandon | 18,366 | 67,950 | 22,071 |
| Winnipeg | 618,100 | 2,262,450 | 296,100 |
| Moose Jaw | 19,795 | 120,255 | 84,295 |
| Saskatoon | 97,980 | 91,380 | 56,015 |
| Regina | 120,557 | 101,345 | 86,160 |
| Calgary | 426,751 | 670,600 | 303,755 |
| Edmonton | 577,315 | 450,665 | 234,190 |
| N. W'minster | 167,315 | 102,255 | 38,605 |
| Vancouver | 3,050,825 | 1,331,880 | 700,094 |
| Victoria | 249,223 | 217,582 | 134,454 |

Details for the last 3 months are as follows:

**Canadian Contracts Awarded, 1936**

| | July | | June | | May | |
|---|---|---|---|---|---|---|
| | No. | Value<br>$ | No. | Value<br>$ | No. | Value<br>$ |
| Apartments | 14 | 324,000 | 19 | 317,800 | 16 | 264,000 |
| Residences | 1,682 | 3,971,900 | 1,645 | 5,000,600 | 1,377 | 4,277,300 |
| TOTAL RESIDENTIAL | 1,696 | 4,295,900 | 1,664 | 5,318,400 | 1,393 | 4,541,300 |
| Churches | 38 | 798,400 | 31 | 242,200 | 21 | 309,600 |
| Public garages | 59 | 293,200 | 90 | 431,000 | 82 | 305,500 |
| Hospitals | 8 | 174,700 | 7 | 659,000 | 4 | 131,300 |
| Hotels and clubs | 46 | 333,500 | 48 | 223,800 | 44 | 261,400 |
| Office buildings | 21 | 130,400 | 30 | 180,200 | 35 | 436,900 |
| Public buildings | 36 | 390,700 | 71 | 794,100 | 35 | 351,500 |
| Schools | 45 | 577,000 | 45 | 881,600 | 29 | 332,400 |
| Stores | 160 | 838,100 | 187 | 790,600 | 197 | 565,900 |
| Theatres | 11 | 158,500 | 8 | 151,000 | 9 | 176,000 |
| Warehouses | 46 | 269,300 | 62 | 780,900 | 53 | 380,000 |
| TOTAL BUSINESS | 470 | 3,963,800 | 579 | 5,134,400 | 509 | 3,250,500 |
| TOTAL INDUSTRIAL | 51 | 568,200 | 76 | 2,114,000 | 55 | 2,306,900 |
| Bridges | 50 | 1,558,200 | 23 | 262,600 | 15 | 180,100 |
| Dams and wharves | 12 | 103,900 | 4 | 34,800 | 6 | 30,300 |
| Sewers and watermains | 21 | 169,300 | 17 | 85,600 | 20 | 58,100 |
| Roads and streets | 119 | 5,084,300 | 124 | 6,268,900 | 84 | 2,942,700 |
| General engineering | 55 | 2,124,900 | 56 | 1,584,700 | 36 | 1,652,900 |
| TOTAL ENGINEERING | 257 | 9,040,600 | 224 | 8,236,600 | 161 | 4,864,100 |
| GRAND TOTAL | 2,474 | 17,868,500 | 2,543 | 20,803,400 | 2,118 | 14,962,800 |

**Cumulative Totals**

| | No. | Value | | No. | Value |
|---|---|---|---|---|---|
| 7 months, 1936 | 11,286 | 95,577,000 | 7 months, 1934 | 9,574 | 72,107,200 |
| 7 months, 1935 | 11,386 | 94,143,700 | 7 months, 1933 | 7,386 | 45,563,900 |

# *Glass Brick Bldg. For Tobacco Co.*

From Our Own Correspondent

MONTREAL.—Imperial Tobacco Co. of Canada has let a contract to Anglin-Norcross Quebec Ltd., for the construction of a new $250,000 building which will be erected as an addition to the shipping department of the tobacco products plant in Montreal.

The new addition will be known as Building "K." It will be 6 stories high, approximately 230 by 66 ft., with basement, reinforced concrete frame and foundation, concrete walls, upper 3 floors with glass bricks (no windows), air-conditioning, tar and gravel roof.

## B. C. Power Plans Progress On New Vancouver Station

From Our Own Correspondent

MONTREAL. — Details of the $1 million construction programme recently announced by the British Columbia Electric Railway Co., subsidiary of B. C. Power, have been worked out and as soon as the necessary permission for construction of the new major substation, around which the programme centres, can be secured, the work will get under way.

The new station will be of reinforced concrete and the building alone will cost $85,000. It will be 60 ft. wide and 175 ft. in length. Although some of the transformers from the Horne Payne substation will be transferred to the new building, officials estimate the new switches and transformers will cost a further $250,000, bringing the total cost of the station up to $335,000.

The new station will be connected with the Horne Payne station by a 34,000-volt overhead line.

# Manitoba Plans Beet Sugar Plant

## Would be Constructed This Fall if Financing Goes Through

Once more plans are being advanced for the construction of a big sugar beet factory near Winnipeg. Announcement to this effect has been made by Joseph Ferbeck, Montreal engineer, who claims that plans are going forward satisfactorily in co-operation with the Manitoba government and with strong local and European financial backing.

Provided these plans materialize, Mr. Ferbeck promises early construction, although, of course, the factory would not have to be completed to the manufacturing point before beet harvesting a year from now. As planned the factory would have a capacity of 1,200 tons of beets daily with a production of about 360,000 lb. of refined sugar. The plant would be completed before winter and the machinery installed during the months following. By-products produced would include dried beet pulp, alcohol, yeast, glycerine and fertilizer.

The company backing the product would have a share capital of $3 millions and a Manitoba charter. It is reported that contracts for 15,000 acres of sugar beets will be signed up with local farmers this fall.

This would be the first large sugar beet factory in Manitoba, although there is an important sugar beet industry in southern Alberta and another in southwestern Ontario.

**Canadian Slate Products Ltd.** is testing its newly installed Welsh machinery, first of 6 units to be used in producing various types of slate products. Roofing and structural slate are scheduled for early production.

# Roof Output Gains 50%

## Big Increase in Demand for Asphalt Shingles This Year

Production of asphalt roofing in June was up in all lines over the same month a year ago. Increases were particularly pronounced in shingle squares and smooth surface roofing. In most lines, too, there was a considerable gain over the previous month.

### Big Gains

For the first 6 months of the current year, asphalt shingle production amounted to well over 161,000 squares, according to the Dominion Bureau of Statistics. This was almost 50% greater than the 111,000 squares in the first half of 1935. In smooth surface roofing squares, production amounted to over 362,000, as compared with slightly under 294,000 for the first half of 1935.

Gain, of course, is entirely attributed to the gradual pick-up in the construction industry and particularly to the increase in residential building. It is this class of construction that uses the bulk of asphalt shingles, commercial and engineering buildings largely employing the flat roof covered with tar, gravel and roofing paper.

**International Bitumen Co.** first commercial producer of McMurray (Alberta) bitumen, is completing the first unit of a $100,000 plant for refining gasoline and oil from McMurray bitumen. Production is scheduled for this month.

# Gas Stations Come Dressed In Porcelain

## Claim Many Advantages for Construction Innovation

### TWO IN ONTARIO

Porcelain enamelled steel, formerly confined mostly to bath tubs, sinks and similar products has now entered the construction field in a wholesale way. It is not just used for a little trimming here and there either. In the new service stations now being erected by the Shell Oil Company of Canada the exteriors of the buildings are of this gleaming material. One such station was opened at Windsor this week and another is in operation at Barrie.

### Big Advantages

Advantages of such building material for service stations are many. Here are some of the most important:

1—No painting required.
2—Absolutely fire-proof.
3—Easily taken down and set up.
4—Permanent. Practically no depreciation.

### Need No Painting

In this present day war for the consumer's gas dollar, stations must attract attention. Therefore strong color schemes are of great importance. Striking combinations such as red and green, black and white, yellow and blues are usually used.

These have the effect of attracting attention, right enough, but to continue to do so they must be constantly painted. Sometimes the job is done 2 or 3 times in a single season. It is not only expensive in itself but with a 24-hour-a-day service there is always some danger of a touchy customer and wet paint coming together. Shell with its new enamelled station, retains its yellow motif and does it without painting. The color has been baked right on to the steel once and for all. An occasional hosing should keep it bright.

The necessity of fireproof service stations is so obvious as to hardly need elaboration. So far there have been few fires hot enough to catch on to enamelled steel. At least the material going into these new stations has been tested up to 16,000 degrees Fahr. After that it might possibly singe, but who will care?

### Easily Moved

Coming to advantage No. 3, ease in setting up and taking down, there is a more subtle point. Now reliable oil companies are not in the habit of following the old Arab custom of folding up their tents and stealing quietly away, but they do have to do a lot of moving. Very often important building corners are occupied by service stations only until the time for actual construction of some big office building commences. The station provides some revenue to offset the heavy taxes in the meantime. But when the lot is sold to a builder the service station must be moved.

The steel service stations of Shell's are manufactured by Dresser Mfg. Co. of Tulsa, Okla. They come in plates already to be bolted together. Concrete base and floors, the flat tar roof, and the setting up are handled by a local contractor.

The outside of a steel frame is covered with porcelain enamelled, specially pressed, 18-gauge steel panels. The ⅛-inch joint between panels is filled with a sealing strip of woven asbestos and a special painting compound, making the joints weather tight. Before erection the porcelain enamelled panels are filled with one inch of "Vermiculite" insulation. This insulation is vermin proof and consists of a mixture of exploded mica asbestos and portland cement. Total thickness of enamel and insulation is just one inch.

The insulating value of the panels in place is claimed to be the equal of a 13-inch thick brick wall. This feature makes this type of construction very satisfactory to Canadian extremes of temperature range. Tested in place, which is the deciding test where porcelain is used, no chipping at the joints takes place under extremes of temperature change. The porcelain sheets are locked together and to the steel frame with rust-proofed anchors.

### Framework Welded

The structural frame is constructed of specially rolled hot strip, 5-inch steel sections, welded into units in the shop and erected and bolted together in the field. In obtaining the necessary rigidity for the porcelain enamel sheets, 2½ times the required structural strength is built in this framework. These sections are bolted to the concrete foundations over a watertight sealing strip and the structure tied in with the steel roof framing and inside steel partition sections. The whole framework is then strapped on the inside with metal furring channels at 2-foot centres horizontally, spot welded to the structural frame. The complete framework is said to possess unusual rigidity, and all steel is painted to prevent rust.

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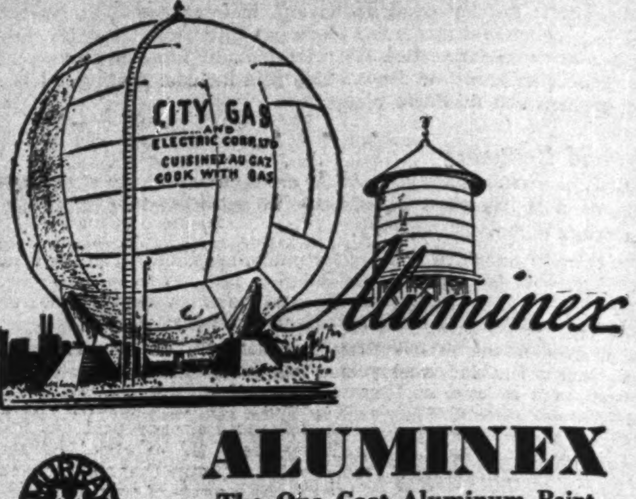

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# Canada Strips Decks of Unwieldy Wheat Surplus

## Drought and Aggressive Selling Combine to Reverse Wheat Picture in Last 6 Months

By GORDON L. SMITH

After 10 years in the international spotlight, Canadian wheat is preparing to retire from its place of prominence. For the time being the great problem of marketing this country's leading export appears to have been solved.

Drought and aggressive selling have wiped out an unwieldy surplus, which at one time threatened world prices and the prosperity of all Canada. With a short new crop now ripening in the Prairie Provinces, rising prices and weekly exports at the best level in 5 years, unquestionably stocks will be reduced to normal proportions in the next few months. Canadian wheat producers may again breathe freely in the serene assurance that the world is anxious to purchase the result of their labors.

### Dictation Over

With this return to normal comes the end of a great experiment, one that had for its object a stable flow of wheat at a stable price regardless of weather hazards, and also to a certain extent regardless of the consumer's capacity or willingness to pay.

Whether or not the Argentine, Russia, Australia and other competitive growers were willing to sell, 10 years ago a group of farmers in Western Canada decided that they could put their own price on their own product. Previously organized into a pool that comprised the majority of growers in the 3 Prairie Provinces they came to the conclusion that they were strong enough to dictate to the world. If Britain and other consumers wished to purchase Canadian wheat the price was so and so, take it or leave it. But no reckoning was made of increasing acreages in other countries and of good crops from those acreages. Of still more importance, no reckoning was made of the steadily rising tide of economic nationalism throughout the world.

### Europe Grows Wheat

Coinciding with the development of the holding wheat policy of the Canadian Pools, was the steadily growing decision of many European countries to live within themselves. If through subsidies and tariffs they could boost domestic production, and regardless of cost they did boost it, then less wheat would have to be imported. What was actually necessary could be cheaply secured from the Argentine, Australia or other countries which were perfectly content to unload their surplus while protected by the Canadian umbrella of high prices. When, as a result of their own tariffs, even this cheap foreign wheat was boosted to unheard of heights within their own boundaries then the people of Europe could and did turn to wheat substitutes in a big way.

### Surpluses Pile Up

In the meantime Canada's reserves of high class wheat continued to accumulate. From an average carryover at the end of the crop year (July 31) of about 40 million bushels (41 million was the actual 1922-27 average) over 90 million was left over when the huge crop of 1928 came along. But even this yield which broke through the 500 million bushel mark failed to dampen the enthusiasm for the new system of farm marketing. In fact it was regarded in many Pool quarters as the first real test of strength. And so it proved.

The Pools went along merrily accumulating the new crop. Despite its size and definite indications that the world picture was steadily changing from a "sellers" to a "buyers" market high advances were made to farmers on delivery of their wheat. Heedless of a new carryover of 127 million, or the record up to that time, but only seeing in their own comparatively short crop a rising world market demand, this initial payment in 1929 was actually jacked up another 15 cents per bushel.

### Then Pool Deficits

This was made at a time when the rest of the world had at last come to the conclusion that all values were much too high. Though every industrial stock listed on the New York, Toronto and Montreal Exchanges tumbled headlong in October, the Pool apparently remained convinced that the conflagration could be kept away from highly inflammable wheat. That hope, however, proved abortive. Notwithstanding the relatively small crop of 1929 the undigested carryover stubbornly remained. It was there again in 1930, not materially larger but just as stubborn.

Practically all this accumulation was owned by the Pools. Something over 127 million bushels of unsold wheat lay in Canadian elevators. Advances already paid out to Pool members far exceeded its market value. Storage charges were mounting at the rate of over a million dollars per month. By November 1930 the price of wheat had fallen below 60 cents or just about a third of that prevailing early in the previous year.

### Government Takes Over

Pressed by the banks, which had provided much of the money for the crop advances, the Pools first sought the aid of the 3 Prairie provincial governments. Help there was soon exhausted and then the federal government was approached. From this source came a guarantee of $5 millions and, a few weeks later, a new manager in the person of John I. McFarland.

It was generally understood that Mr. McFarland came to the Pools in the rôle of government liquidator. But though he started off vigorously by closing the foreign selling offices of the Pool which had antagonized the overseas grain trade, and though there was a good deal of stress laid on the necessity of selling, the first year of his stewardship saw no change in the size of the carryover.

### Light Crops But no Sales

Beginning with 1930 there were very fair grain crops in Western Canada. Only one went below 300 million and that of 1932 was over the 400 mark. Considering these good harvests the country did not become unduly alarmed over a carryover which had gradually stabilized at more than 3 times the pre-pool average. But it was expected that Canada was only waiting a year of poor harvests in which to unload. That year apparently came in 1933. The crop then only ran a trifle over 250 million and even with a carryover now grown to over 200 millions the combined accumulation would be no greater than the 1927 crop. But there was practically no change.

The next year the crop was again light, but the carryover still remained at over 200 million. What would it have climbed to had there been a really big crop in 1934, no person cared to imagine. In any case this huge block of unsold wheat hung over the market like a pall and the fear of even a normal crop under such conditions was in the back of every traders mind. But Nature, apparently concluding the Canadian growers did not want big crops, obliged with another below-normal-yield in 1935.

### Myth of Control

Now with no big crops in 4 years, more and more people began to wonder when the promised government liquidation was going to take place.

"Why don't we sell, take our loss and start over," they asked.

But though the management of the Pool had changed, policy apparently had not. The same old fears were expressed.

"If we start to push sales, down will go the price."

"The world is producing too much wheat."

"Let us restrict acreage and keep production down to the requirements of the world."

Just how a halter was going to be placed on wheat production which in Canada alone might and has fluctuated as much as 50% from the same acreage, has never been explained. Neither have world wheat conference attempts to get growers in all countries to agree on acreages ever been successful.

Such a system at the present stage of world civilization at least seems to offer but little comfort to the western farmer whose land is suited to wheat. Let us then examine the other claim, namely that aggressive selling would ruinously undermine prices.

### Sales and Prices

The main chart at the top of the page shows that Canadian visible or carryover, already near a record high point for the beginning of a crop year, jumped sharply from last September until November. This was because the light crop of last year was coming into marketable positions and also because early export sales which should have been normally high were abnormally low.

If one is to believe that Canadian wheat dominates the world market especially in the fall of the year, a doctrine to which many early pool advocates strictly adhered, then the small sales in July and August should have sent prices up. But the accompanying chart fails to show practically any connection.

### 1935 Price Rise

But toward the end of August and September, 1935, prices did advance sharply and continued to do so even in the face of heavier marketings by Mr. McFarland. Export clearances were raised from under the 2 million bushels per week to over 3 and No. 1 Northern at Winnipeg actually hit an average of 95 cents. Two months before the price was around 80.

Now if the world grain market was so delicately adjusted that an influx of Canadian grain would send prices tumbling this increase in marketing by Mr. McFarland should have started something. But it did no such thing for the simple reason that Canada plays only one part in the world grain picture. This is a very important one, it is true, but there are other countries that grow grain. Indeed during the last few years when British and other buyers refused to be held up by artificially high prices for Canadian wheat, countries hitherto never even considered as exporters actually began to ship surprising quantities of wheat.

As a matter of fact carryover and crop deliveries had very little to do with the price rise last fall. The market had already discounted this situation. But one point had not been foreseen and that was the rapid spread of rust throughout the North American spring wheat areas. In Canada alone this blight cut a possible 400 million bushel crop to around 260.

### Enter Murray

Following a general election last October and a change in government, a new wheat board headed by James R. Murray entered the picture. Though Mr. Murray did not take over from the McFarland Board until early December, the change in policy of the new government was noted in wheat sales almost immediately. For the first time in months weekly export clearances went over the 4 million bushel mark and from then on more than averaged that figure.

The government had started liquidating wheat.

### Liquidating the Carryover

Even the main chart does not indicate the full success of this liquidation. Practically the whole of a carryover which reached a peak of approximately 265 million bushels in November was then in the hand of the wheat board.

Now at the end of the crop year, 8 months later, we find carryover reduced to around 115 million. Of this it is believed that the Murray Board is responsible for not much more than 50%. With the removal of an overhanging surplus, the regular grain trade and speculators have again entered the picture and shared the burden of carryover with the Canadian government.

Something like 200 million bushels of wheat appears to have been sold by the new board. In all cases the carryover referred to is that covering wheat in Canadian positions. It does not include that portion of Canadian grain, likely less than 10 million bushels, which is held in the U. S. positions, for delivery to American millers.

### Selling Danger Myths

From 1928 until a year ago the country heard a good deal of the dangers of any large scale selling of wheat. Quick liquidation of 25 million bushels, it was said, would upset the market. As for such liquidation as we have just witnessed, such a thing was not even considered. Just how such advocates hoped to get clear of the mess they were creating was never explained. Only a huge crop failure throughout the world, apparently, would have let them out.

With sales falling off and surplus piling up steadily an impossible situation was being created. What benefit restricted selling might have in raising prices was more than offset by the ever growing surplus behind the seller. World prices could not rise while the Canadian Wheat Board held such stocks. Nobody knew when they might be unloaded and unloaded possibly as bankrupt stock.

The longer the job of selling was put off the harder and more dangerous it would be. Had a big crop come on in any of the last three years, it is doubtful whether a panic could have been averted.

### Two Opportunities

When United States disappeared from the ranks of wheat exporters a year ago as a result of partial failure of both the winter and spring wheat crop, the world generally believed that the Canadian government was lucky to get a last chance to unload its holdings. But no advantage was taken and the surplus continued.

Opportunity, however, forgot all about the general rules and knocked again. A partial failure occurred in the Argentine. With a new man at the head of the Wheat Board, Canada starting selling. But there was no fire sale. Steady pressure was maintained and out went the wheat at 3, 4, 5 and even 7 million bushels a week.

Strange to say the market did not reel. Prices weakened a little, but steadily with decline of less than 10 cents per bushel from December until June. This decline incidentally was only slightly less than the storage charges on a bushel of wheat for one year. And some of the wheat sold in this period had been stored for 3 times as long as that. Moreover as stocks went out, the fear of glut was gradually lifted. It was replaced by a healthy fear among buyers that perhaps it would be better to drop the stand-offish attitude which had prevailed for so long. Producers of the new crop were again assured that when their grain began coming on the market there would be a place and a demand for it.

### Clear Way For New Crop

Now with a light 1936 crop promised over the whole of this continent and sharply rising prices there will be many who will declare that Murray should have held off for the higher prices this fall. But would those prices have been anything like the present level had the old carryover remained to clutter the marketing machinery of the world?

With probably one of the lightest crops in the last decade Canadian farmers naturally face a much higher cost of production this year. To make anything at all they need high prices. By eliminating the old carryover Murray has assured them of the highest possible value for this new wheat now beginning to come into the country elevators. With the clearance he has permitted this new light crop to exercise its full effect on the present market. And as a result prices have now passed the dollar mark.

For the next year or so at least the world will hear no more of overproduction. Indeed the opposite sort of talk is going to rule the wheat market. And for the sake of those thousands of Western farmers who have no other alternative to wheat production, it is well that it should be so.

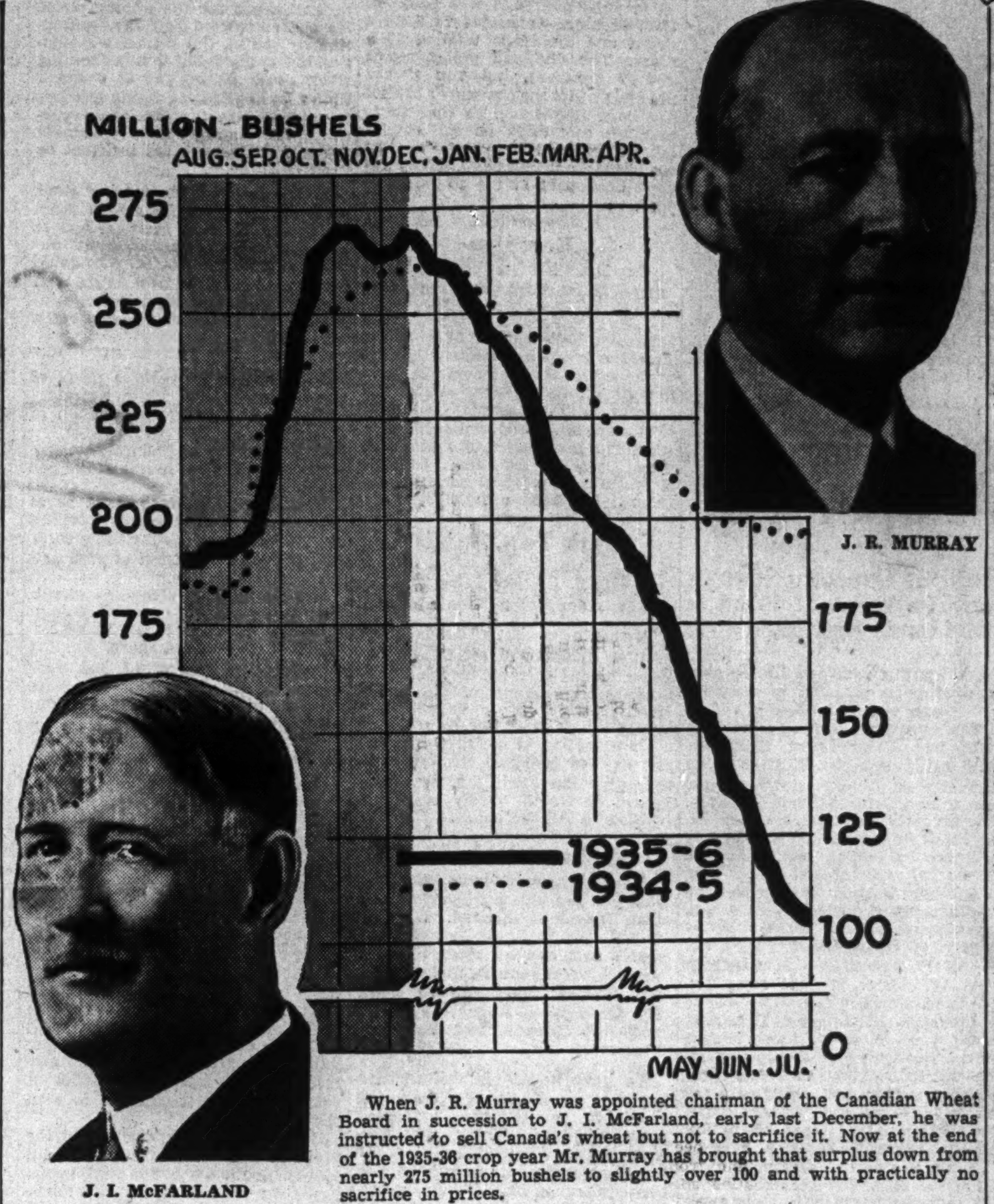
### Future of Industry

Eventually this country may find crops more profitable than wheat. For general stability such search must be continued. But in a country where water supplies are scant, mixed farming based on livestock production, is still out of the question. Dairy and beef cattle require water and bulky forage crops. These things do not exist normally in wide areas of the southern wheat belt.

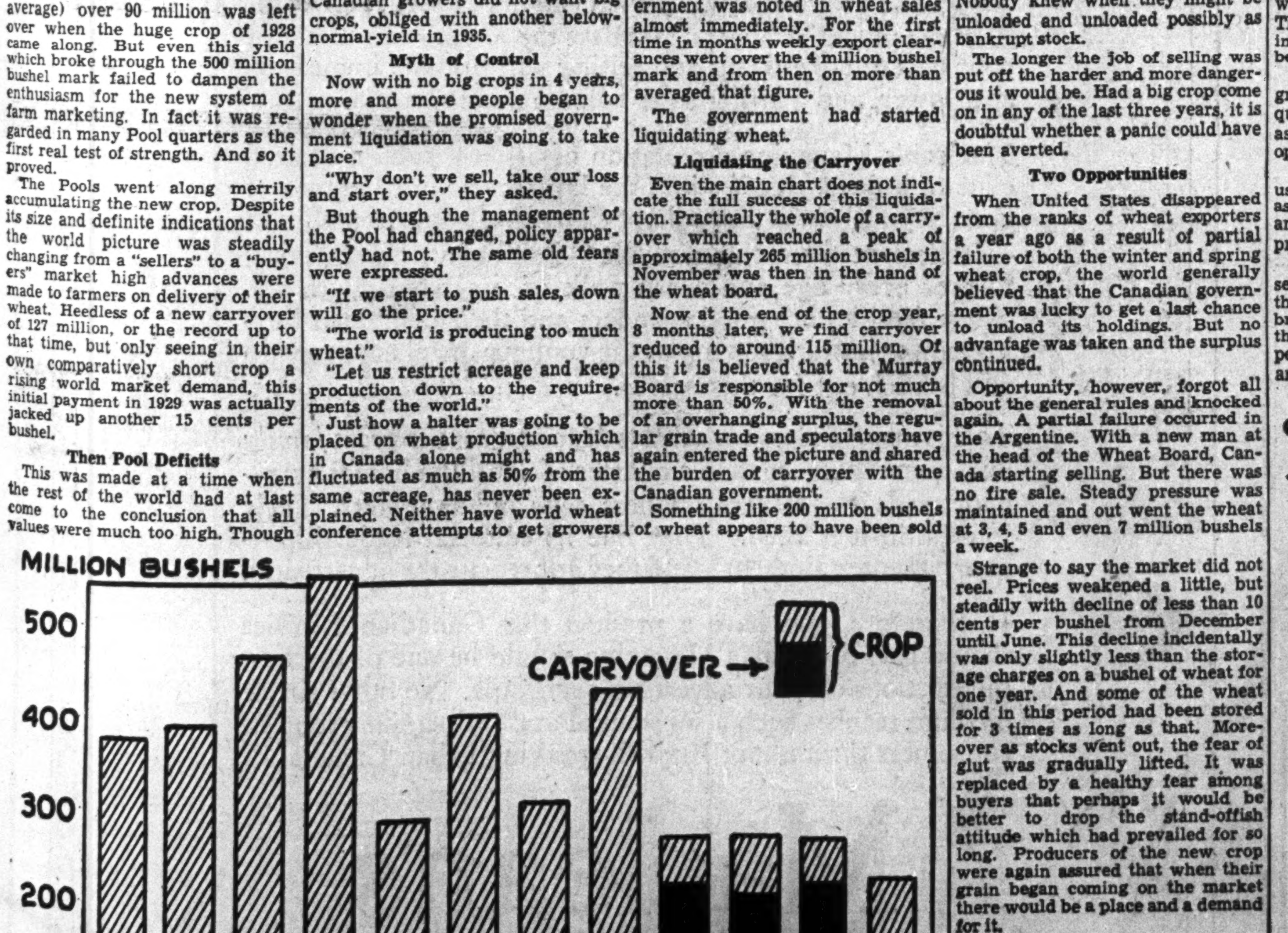
Hogs and poultry, essentially grain eaters and not users of large quantities of water, nor fodder such as hay and pasture, may be developed safely but they take time.

Wheat or similar grain may be used for commercial purposes just as soy beans are used for oil, plastics and paints. But here again the process takes time.

Meanwhile James Murray is selling Canadian wheat. He has given the growers of that commodity a breathing spell in which to unload their supplies profitably and he has permitted the search for new uses and new commodities to go on.



When J. R. Murray was appointed chairman of the Canadian Wheat Board in succession to J. I. McFarland, early last December, he was instructed to sell Canada's wheat but not to sacrifice it. Now at the end of the 1935-36 crop year Mr. Murray has brought that surplus down from nearly 275 million bushels to slightly over 100 and with practically no sacrifice in prices.



In the above chart, the carryover figures include Canadian wheat in American positions, not the regular Dominion government visible, which will be slightly lower. Both crop and carryover for 1936 are estimates with the latter revised downward in the last few days of the crop year.

## Australia Increases Its Acreage

### About Half Million Acres More Shown This Year

First official estimate of Australia's wheat acreage is 12.4 millions. This is about half a million acres larger than last year, but is slightly lower than 1934. It is, however, very considerably lower than the area seeded to wheat for the 5 years preceding. Carryover, estimated at 37 million bushels, is the lowest since 1929, and compares with an average of about 45 millions.

Weather over the Australian wheat belt was very unfavorable a month ago but since has been much better with a fair amount of rain. Harvest usually commences about December, but in many parts of the country is considerably later.

Domestic requirements amount to about 55 million bushels, and the crop in recent years has run around 150 millions, though in years of the big acreages it went well over 200.

Details are as follows:

Australian Wheat
(000's omitted)

| Year | Crop (bus.) | Acreage (acres) | Carry-over (bus.) |
|---|---|---|---|
| 1936 | ...... | 12,400 | 27,000 |
| 1935 | 142,992 | 11,884 | 47,000 |
| 1934 | 133,393 | 12,544 | 77,000 |
| 1933 | 177,337 | 14,901 | 43,000 |
| 1932 | 213,926 | 15,765 | 38,000 |
| 1931 | 190,612 | 14,741 | 49,000 |
| 1930 | 213,594 | 18,164 | 38,000 |

## Ottawa Adopts Policy Of "Watch and Wait" With Minimum Price

From Our Own Correspondent

OTTAWA.—The federal government has adopted a "Wait and See" policy in regard to the minimum price for wheat.

The government board set the price of 87½ cents basis No. 1 at Fort William, September 6, 1935, and although another crop year began August 1, 1936, that price is still in force.

There is no intention of making any change in the fixed price, The Financial Post is advised, at least until those ministers now in Europe have returned and it is possible to make a comprehensive survey of the world situation in general and the Canadian situation in particular.

### Desirous of Retiring

The inclinations of the government in respect to the fixed price and the Wheat Board are well known. It would like to drop out of the wheat picture as quickly and gracefully as possible, and the present trend of developments makes it likely that it will be able to do so.

There are, however, some political complications which may not allow it to retire as quickly as it would like. At the same time the recent rise in world prices has delivered it from what threatened a few weeks ago to be an awkward situation.

It is no secret at Ottawa that the "fixed price" policy has never worked as the framers of the Wheat Board Act intended it to. This resulted from a decision made in the pre-election atmosphere of last September.

### Cushion Went Wrong

The theory of a minimum price, borrowed from the Argentine, was that it would be set well below the current figure, as a sort of insurance against price collapse. It was never intended that it should be set so high that it would catch all the wheat being sold.

The framers of the present wheat act, in June 1935, realized that John I. McFarland had nearly 230 million bushels of wheat, which it was the problem of the government to sell in the most advantageous way. They also realized that the farmer was anxious to be protected against price collapse during the disposal of the 1935 harvest.

The framers of that act envisaged an active wheat-selling policy to dispose of the stocks accumulated since 1930; and a minimum price high enough to reassure the farmer, and yet low enough to permit the existing private agencies to handle the 1935 crop. It was particularly hoped the minimum price would not be set high enough to attract the bulk of the 1935 harvest, and thus add it to the already serious disposal problems of the new wheat board.

### Price was too High

Actually, as is well known, when the minimum price for 1935 was set on September 6, 1935, it was 87½ cents, which was several cents higher than current prices. Something like 70 or 75 cents had been expected by those who believed that the minimum price should be nothing more than a cushion to prevent undue price slumps.

For a few weeks late in 1935 the prevailing market price did rise above the government minimum, and some wheat was picked up by private agencies. But for most of the crop year, contrary to the intention of the framers of the 1935 legislation, the wheat board was forced to absorb farmers' deliveries.

Instead of gradually disposing of its stocks, it looked for a while as though the board was going to get in deeper than ever. But due to a succession of light harvests in the southern hemisphere, the United States and Canada, it was possible to sell wheat very freely and reduce total holdings even while buying the great bulk of the 1935 harvest.

### Small Surplus Possible

A continuation of present prices may well enable the board to emerge with a small financial surplus, which will be distributed pro rata among the farmers who sold their wheat in 1935-36. This will not represent a net gain, however, since large sums have already been written off in the Finance Minister's annual statements. While some of the wheat acquired at 87½ cents is being sold at a dollar, it must be remembered that a good deal was sold for as little as 75 and 76 cents, and that carrying charges approaching a cent a bushel a month have been going on all the time.

In regard to the 1936-37 harvest almost everything depends on the current trend of prices.

If prices of a dollar or more are quoted, the minimum price of 87½ cents a bushel may be retained as a protection without the board picking up much wheat. There is nothing in the act which compels the board to set a new price each crop year.

### Sell to Trade

It will be impossible to tell in advance what the farmer will do should prices of a dollar or more a bushel prevail on the Winnipeg exchange. He can still, if he wishes, sell to the board and obtain a participation certificate, to receive further payments when the wheat is finally sold. But if the current market price is well above the minimum price, most farmers, it is expected here, will revert to the practice of selling outright to one of the private grain houses. Even if he believes he can get a little more selling through the government board his need for ready cash would in many instances force him to sell outright, it is believed here.

There has been agitation from farmers' organizations in the West to raise the minimum price for 1936-37 to a dollar a bushel or more. This may affect the government in its decision, but in view of its desire to retire from the business of buying and selling wheat as soon as possible, it seems more likely that it will regard the current price as taking care of the wheat farmer's price problem and seize the opportunity to make its farewell bow for the time being at least.

## New Industries

**Howard Smith Paper Mills Ltd.** has decided on erection of a chemical plant at Smithville.

**Auto and Truck Valve Reconditioners**, of Vancouver, are operating something new in the way of automobile servicing. A completely equipped automobile repair shop is on call, for use in servicing cars at customers' homes under supervision of the owner.

**S. S. Kresge Co. Ltd.** will erect a new store unit at Montreal, costing about $285,000.

**Neal Baking Co.** is adding a $10,000 unit to the company's plant at Sarnia, Ont.

**Porcupine Brick and Block Co.** is installing a double shift system as a result of improved demand for its building products. Plant is located at Timmins, Ont.

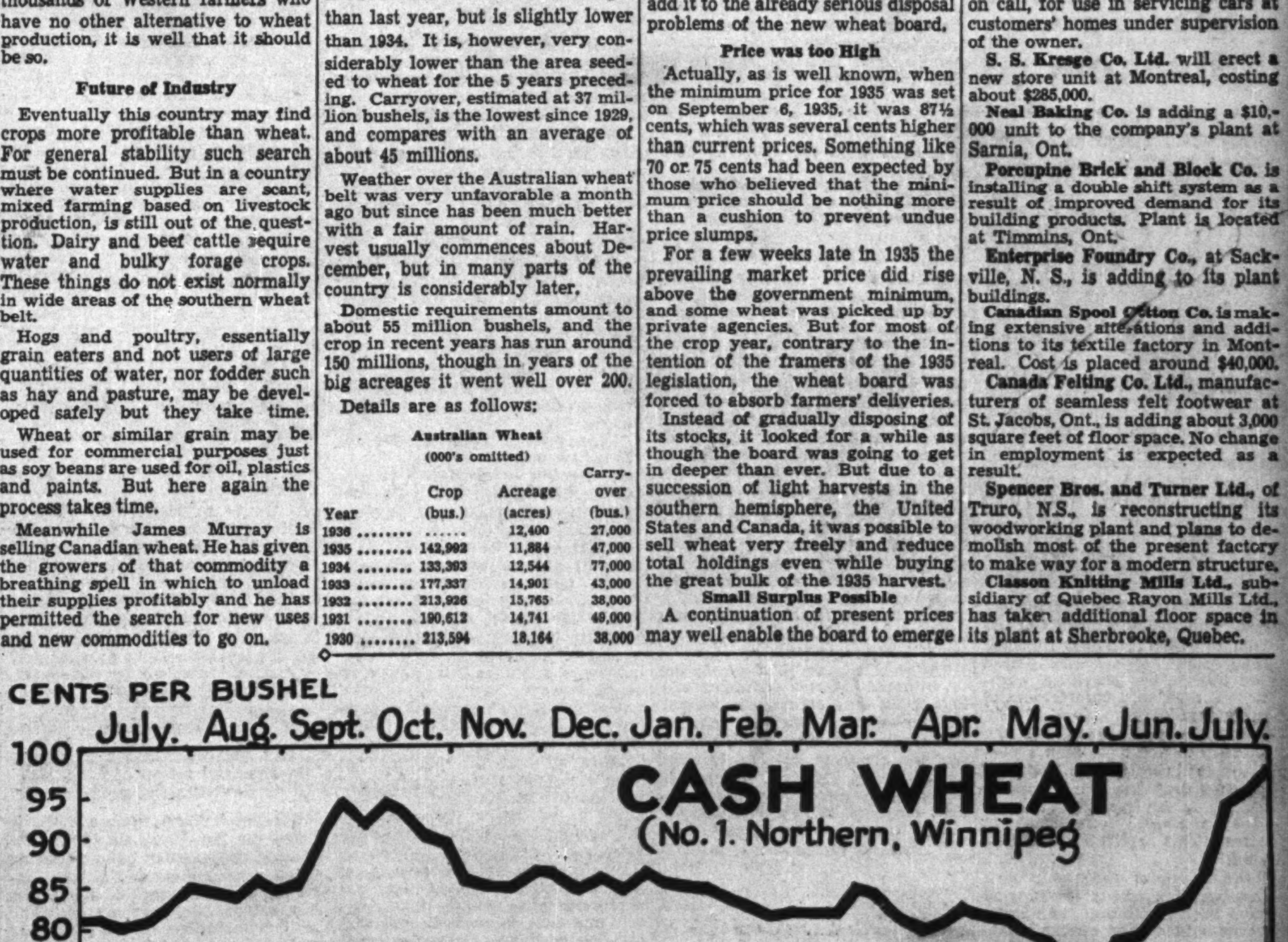
**Enterprise Foundry Co.**, at Sackville, N. S., is adding to its plant buildings.

**Canadian Spool Cotton Co.** is making extensive alterations and additions to its textile factory in Montreal. Cost is placed around $40,000.

**Canada Felting Co. Ltd.**, manufacturers of seamless felt footwear at St. Jacobs, Ont., is adding about 3,000 square feet of floor space. No change in employment is expected as a result.

**Spencer Bros. and Turner Ltd.**, of Truro, N.S., is reconstructing its woodworking plant and plans to demolish most of the present factory to make way for a modern structure.

**Classon Knitting Mills Ltd.**, subsidiary of Quebec Rayon Mills Ltd., has taken additional floor space in its plant at Sherbrooke, Quebec.



# Your Investments

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## Maple Leaf Common

I have 100 shares of Maple Leaf Milling Co. common stock and would like to know whether it can be ranked as a reasonably good investment prospect?

Maple Leaf Milling Co. has had serious difficulties, so that the common shares sell at the low price of $1½ each. Unless the company's affairs improve materially, the common will be of little value for a long time to come. If another reorganization were necessary, this common stock might be wiped almost off the slate. The shares constitute a speculation in substantial recovery in flour milling.

## Saskatchewan Bonds

I would like your views on Saskatchewan bonds as a reasonably safe investment. I understand the position of the bonds has been improved by loans from the Bank of Canada to meet debts maturing and that the provincial finances are on an improved basis, as the province would have the backing of the Dominion in any refunding operation.

While Saskatchewan improved its budget position materially in the year ended April 30, 1936, the province is still faced with serious difficulties. Since it is largely a grain-growing province, it has been worse hit economically than either Manitoba or Alberta. The government fortunately has been stable.

While Saskatchewan has adhered to sound financing and actually applied to the federal government for loan council support, investment in its bonds carries considerable risk. As yet, no substitute has been obtained for the proposed loan council under which the debt of the province could have been guaranteed by the Dominion. If one could be sure that the province would have federal government backing in any refinancing operation, then the bonds would be attractive at present low prices. Meanwhile the outlook is uncertain, even though the problem of debt maturities is not pressing, because the province continues unable to handle all its budget and relief expenses and has therefore gone deeper into debt.

## Duluth-Superior

Can you give me an idea of the value of Duluth-Superior Traction common shares?

Duluth-Superior Traction Co. has been in receivership since 1930, and no financial statement has been issued since that time. Prior to receivership, the company was having difficulty earning bond interest, so that the shares are virtually of no value at present.

## Donnacona Paper

I am the owner of $1,000 Donnacona Paper 6% debenture, series A. On this bond I hold coupons since 1932 and on August 1, 1936, the total amount in arrears was $300. Please advise me what the prospects are to collect this amount and what condition the company is in.

Apparently from your letter you are not aware that Donnacona Paper Co. carried out a reorganization in June, 1932, whereby the series A debentures were replaced with common stock. Under the plan the company issued 2 shares of new common stock for each $100 principal amount of debentures held. Accordingly you should obtain 20 shares of common stock in return for your debenture.

There is no prospect of collecting cash unless the company's affairs improve sufficiently to allow dividends. For the present, interest on the first mortgage bonds has just been resumed, but at a reduced rate.

## Westminster Trust

Can you tell me what has become of the Westminster Trust & Safe Deposit Co. and whether any certificates are of any value?

Westminster Trust & Safe Deposit Co. is the original name of Westminster Trust Co., New Westminster, B.C. For every share you hold in Westminster Trust and Safe Deposit Co. you are entitled to one share in Westminster Trust Co.

We are not in a position to give you detailed analysis of the financial position of this company since no financial reports have been issued to the public for several years. As a shareholder, however, you will be able to obtain an annual statement. The company's principal revenue is derived from mortgage business, and its operations have been curtailed during the past few years. The policy of the directors is said to have been to maintain the liquid position as far as possible, and therefore no dividends have been paid since 1929. For this reason, there is practically no market for the shares, offerings having been made around $25. The book value of the stock at Dec. 31, 1935, is placed at about $70 per share. You might be able to find a market privately through the company.

# Rackets

## Ousting Racketeers

HALTING financial rackets before they get into operation is the chief object of fraud prevention work by Canadian securities officials and Better Business Bureaux.

Much of their most effective work consequently never becomes public knowledge but a recent case uncovered by federal authorities at Washington reveals that the vigilance of Canadian officials a year ago saved many thousands of dollars for Canadians.

The U.S. courts have indicted 21 men and 5 brokerage houses charged with operating a chain system of the "sell and switch" racket. Of the men concerned, 3 made their appearance in Montreal a year ago with the intention of forming a "securities" company. All bore names of foreign extraction and all had records in the U.S. which provided a basis for suspicion regarding their proposed operations in Canada.

Montreal Better Business Bureau officials obtained the records of the trio on file at U.S. Better Business Bureau offices. These were placed before the Quebec provincial authorities charged with enforcement of security regulations.

The result was refusal of the authorities to grant the men a permit to do business in Montreal. Later, they sought to obtain permits as security salesmen under the aegis of a firm already established in Montreal. This application was also refused.

Headquarters of the group now before the U.S. courts is reported to have been in Chicago, and the 5 concerns indicted had offices in Atlanta, Ga., St. Paul, Minn., New Orleans and Chicago. Had the group been able to locate their operations in Montreal, there is no doubt in the minds of Quebec officials that Montreal would have been made the base of another "sell and switch" racket with international ramifications.

STOCKS LISTED AND UNLISTED BONDS

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## Newsprint Securities (No. 4)

# Great Lakes Paper Co.

### With Operations Close to 100% of Capacity, Reduction of Costs Should Allow Payment of Bond Interest Within Year—Dividends Restricted

The Great Lakes Paper Co. has recently gone through a capital reorganization with the dual result of reducing fixed charges and obtaining long-term contracts which give virtual capacity production of newsprint. In reorganizing, the company has been taken out of receivership.

In place of the former $10 millions of 6% first mortgage bonds, holders will receive $6 millions of new 5% bonds, $600 per $1,000. In addition, for each $1,000 of old bonds, holders will receive 9 class A preferred shares and 8 common shares, or 90% and 80% respectively of these classes of stock. The remaining class A preferred and common shares go to the liquidator to satisfy claims of ordinary creditors.

### Capital and Contracts

The new share capital consists of 100,000 shares each of class A preferred, common, and class B preferred stock. The latter is to be held by London & Western Trusts Co., as trustee for 24 U. S. publishers who have signed 5-year contracts for newsprint with the company. These contracts are renewable for another 5 years. The exchange of the B preferred for newsprint contracts gave rise to a keen controversy in connection with the reorganization, because of the possibility that dividends would accrue to the publishers. This was looked upon by other sections of the newsprint industry as a potential rebate which might undermine the price structure in the industry. The Ontario government apparently felt the same way about it and imposed restrictions on payment of dividends.

The class A and B shares rank equally for cumulative dividends of $2 per share annually, and then for participation equally with the common in any further distribution. The arrangement with the government, however, is that no dividends are to be paid, until the market price of newsprint is $45.30 a ton, or which would have the effect of reducing the price below $45.30 a ton. Consequently there does not seem to be much prospect of dividends on the preferred shares unless newsprint rises to about $47 a ton, or more, from the current level of $41 a ton, no matter what the company may earn.

### Interest Question

Interest on the new 5% bonds accrues from Oct. 1, 1935, and the first payment was due April 1, 1936. Because of litigation and lengthy negotiations over the reorganization, new securities as called for under the plan have not been issued, but should be ready very shortly. The April 1 coupon has not been paid and there is also some question about payment of the interest due Oct. 1, 1936.

There is strong opinion in the new board of directors in favor of non-payment of either coupon due this year. C. H. Carlisle, the new president, who has been identified chiefly with Goodyear Tire & Rubber Co., The Dominion Bank, and Canada Bread Co., is known to favor conservation of the company's liquid resources. Consequently, there appears to be a probability that interest will not be paid, perhaps until April 1, 1937.

### Current Position

The chief reasons for the proposal to withhold interest payments are, first, that the increase in volume under the new contracts requires substantial working capital, second, that the company has had to meet extraordinary expenses in connection with the reorganization, litigation, and issue of new securities.

Liquid position has been:

**Working Capital at June 30**

| | 1935<br>$ | 1934<br>$ |
|---|---|---|
| Current assets ........ | 1,578,495 | 1,592,246 |
| Current liabilities .... | 520,758 | 452,176 |
| Working capital ..... | 1,057,737 | 1,140,070 |

Those who favor conservation of current assets instead of immediate payment of bond interest feel that working capital closer to $1.5 million than $1 million is necessary for satisfactory operation.

The possibilities of building up working capital are enhanced by the rise of newsprint from $40 to $41 a ton this year and by increase in production virtually to capacity.

### Mill and Receivership

The company's mill at Fort William has 2 newsprint machines, with rated capacity of 100,000 tons annually. It is one of the lowest cost inland mills in North America. The property was formerly operated as a unit in the Backus-Brooks Co., Minneapolis, which controlled the Great Lakes Company.

Another Backus enterprise, the Minnesota & Ontario Paper Co. was directly responsible for the bankruptcy of Great Lakes Paper Co. M. & O. went into receivership Feb. 28, 1931. At that time the M. & O. group owed Great Lakes Paper some $2 millions. This debt arose because Great Lakes Paper was being operated at capacity on account of its low costs and was making paper for customers of M. & O. When payment could not be collected, the Great Lakes Co. entered receivership too.

In the 4 years of receivership to June 30, 1935, Great Lakes Paper Co. earned some $650,000 toward depreciation, barely adequate to cover this charge. These earnings include some $200,000 of contingent reserve set up by the receiver, National Trust Co., before arriving at "profit available for depreciation and bond interest." In the same period, however, $330,000 of maintenance and repairs were charged against operations.

### Earnings Results

It is important to note that the company was able to show earnings on volume of less than 60% of capacity and with other handicaps including the expenses of receivership. Comparative results were:

**Great Lakes Receivership Operations**
**Years Ended June 30**

| | Tonnage | Approx. price<br>$ | *Profit<br>$ | Per ton<br>$ |
|---|---|---|---|---|
| 1932 .. | 36,254 | 55 | 239,824 | 6.62 |
| 1933 .. | 48,276 | 45 | 70,593 | 1.46 |
| 1934 .. | 55,425 | 40 | 121,400 | 2.19 |
| 1935 .. | 54,260 | 40 | †39,712 | †.73 |

*After $5,000 monthly for contingent reserve. †Loss.

It has been estimated conservatively that even with newsprint as low as $41 a ton the company should be able to earn $300,000 in 1936. This is the amount of bond interest before depreciation. If conservative practice is followed, however, such as charging reorganization costs and full depreciation against earnings, it would be possible for the company to show practically no earnings toward bond interest this year. Working capital, however, could probably be increased, possibly by $200,000.

### Price and Costs

In a recent comment for The Financial Post, C. H. Carlisle, the new president of the company, stated:

"The present price of $41 to Canadian mills is too low, but a price in the neighborhood of $44 a ton should be fair to both the purchaser of paper and to the Canadian mills."

At $44 a ton for newsprint, it is believed present contract arrangements would enable Great Lakes Paper Co. to earn both depreciation and bond interest comfortably. If anything were earned on the class A and B preferred stock it would not be possible to pay any dividends, however.

A major step to profitable operations would be arrangement of more favorable stumpage dues with the Ontario government and this has been under negotiation in the past few days. Reallocation of timber limits is also under discussion and is of prime importance to the company.

Finally, there are new advantages in the contracts signed with the numerous publishers in the American mid-west, headed by the Chicago Daily News. First they allow capacity operations. Then, these publishers are mostly in the Great Lakes area so that summer shipments can be made economically by water and rail hauls even in winter are short. This saving in transportation costs is important because the selling price of newsprint is usually stated f.o.b. destination, which means the paper company pays for haulage.

With prospects for at least a $1.50 rise in the price of newsprint for 1937, Great Lakes Paper Co. should be able to make payments on its new bonds within 12 months, as is indicated by the current price of about $60 for $100 of old bonds. This price, of course, places considerable value on the new shares that are to be issued to bondholders. The prospects for dividends depend entirely upon the price of newsprint under the present arrangement with the government. As long as the company pays its bond interest, however, the new shares will hold long-run possibilities of dividends.

## Premier Trust

I have been asked to buy shares of Premier Trust Co. and not being familiar with its affairs would like any information you can give me as to its capitalization and earnings. What is the dividend?

Premier Trust Co. is one of the smaller trust companies in Toronto, and had a paid-up capital of $540,854 as at Dec. 31, 1935. General, special and investment reserves totalled $85,000 at the end of the year.

The company's earnings in 1933 amounted to $5.30 a share on the paid-up capital at the end of the year and dividends of $6 a share were paid. Earnings in 1934 amounted to $4.58 and $5.50 was paid. In 1935, earnings amounted to $5.16 a share, and dividends totalled $5 a share. The dividend policy seems unduly generous, but you should remember that the company's capital has been increasing, so that these earnings calculated on the capital outstanding at the end of the year are probably understated. Dividends have been paid at the $5 rate this year.

## Brazilian

Can Brazilian Traction common shares be regarded as a reasonably safe investment?

Hardly. Your holding of Brazilian Traction is of an uncertain nature, to the extent that the company cannot get all its earnings out of the country to make regular payments to shareholders in Canadian dollars. Also, the government has not been very friendly, and the country's financial and political condition in general has been unsatisfactory.

## York Twp. Bonds

Would I be well advised to retain bonds of York Township? What is happening in this case?

Township of York bonds have been in default and are selling between 55 and 60 cents on the dollar. Some reorganization of the municipality's finances is expected to take place in the near future, and some reduction in the rate of interest may be proposed. However, at the rather low prices that have prevailed, it would hardly seem attractive to sell the bonds.

## Industrial Alcohol

I would appreciate any information you can give me about Canadian Industrial Alcohol. What I would like to know is the estimated earnings per share for the present fiscal year, or at least for the first 6 months. Also does the Class B stock share equally with the Class A and dividend payments?

We have no official information nor can we obtain any from the company as to the estimated share earnings during the current year. Competition in the American market is very keen and there is said to be difficulty in selling alcohol stocks at a reasonable price. We gather that there has been no material change in earning power this year.

The class B stock has no voting power, but in all other respects ranks equal with the class A stock in regard to dividend, distribution of assets, etc.

## Walker-G. & W.

Will you give me your views on Walker's common? There is a good yield but do you think there are chances of improvement in values?

Hiram Walker-Gooderham & Worts common shares yield about 6% at present prices on the dividend of $2 a share. Profits for the year ended Aug. 31, 1935, were $4.10 a share on the common compared with $4.40 a share in the preceding year. For the 9 months ended May 31, 1936, earnings amounted to $5.02 on the common compared with $3.87 a share in the comparable period of the preceding year.

On the basis of earnings, dividend and yield, supported by a large equity value in assets, the shares sell at a low level in comparison with other industrial stocks. The chief reasons seem to be: First, that the spirits business does not appear to the average investor to offer the same stability as other lines; second, that the U.S. field where the company gets a large part of its earnings may become increasingly competitive; third, that the industry is subject to peculiarly heavy taxation.

Even if present keen competition in the United States increases, especially in sales of aged spirits, the company will be well equipped to hold its gains in the American field. This year, however, earnings have been stimulated by reduction of U.S. import duties so profits may tend to decline somewhat from present high levels. For the investor who is willing to take the risks of the business, the shares have the attraction of a high dividend that is being earned at present by a wide margin. For the future, public opinion of probable results, as measured by market quotations for the shares, is not unduly optimistic.

## Electrolux

Can you tell me something of the financial set-up of Electrolux Corp. capitalization, etc.?

Electrolux Corp., whose stock is listed on the Montreal Stock Exchange, owns letters patent relating to electric cleaners and all the outstanding capital stock of Electrolux Inc., a New York corporation. The selling operations of the subsidiary are now conducted through over 133 branch offices in various parts of the United States, while manufacturing operations are carried on in Connecticut.

Capitalization of Electrolux Corp. consists of 1,237,500 shares of the par value of $1 each.

Consolidated balance sheet as at Sept. 30 last showed assets totalling over $6.4 millions, by far the greater part of which consisted of cash and accounts receivable.

During the first 6 months of this year the company reported a consolidated net profit of $1,558,758, equivalent to $1.25 a share. For the corresponding period of last year net profits were $1,392,110 and share earnings $1.12. At present the company is paying a quarterly dividend of 40 cents and for the past quarter paid an extra of 10 cents.

## Ellis Park Apts.

Do you think the plan to alter bondholders' interest on Ellis Park Apartments bonds is reasonable?

Reduction of the interest rate on 7% bonds of Ellis Park Apts. to 4½% does not seem unreasonable, especially in view of the fact that bondholders will be given one share of common stock in the new company for each $100 of bonds. This will give bondholders a dominating influence over control, and also recognizes the fact that reduction of rents has made it difficult to earn such rates as 7%.

Doubtless you are aware that the property has been earning sufficient to pay about 4½% but that larger payments would mean accumulation of tax arrears. Under the new arrangement bondholders will have a lasting interest in the equity of the property from which they would stand to benefit if conditions improve.

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MONTREAL TRUST COMPANY
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J. F. HOBKIRK, Manager

# The Woman Investor

## Misplaced Confidence

"GRADUATE" of the Ontario Reformatory at Guelph and subsequently a stock promoter and salesman of dubious connections, a 40-year-old member of a prominent Ontario family was recently found to be making frantic efforts to buy a few thousand shares of a mining stock.

Incautiously, he let it be known that the shares must be secured "at once," since they were required for delivery to a woman who had entrusted him with other securities to be exchanged for the mining stock. He had completed half the transaction by selling the woman's securities, but in the belief that the mining stock could be bought at a lower figure he applied the funds to other uses, confident that he could purchase the mining shares whenever the woman became too insistent on their delivery.

In the interval the mining stock went up; the salesman was without funds, and his only recourse was to buy the shares from someone unfamiliar with the market who could be persuaded to sell at a figure well under the actual market price.

Meanwhile, the trusting woman was happily unaware that her "investment" depended on the ability of the promoter to carry out another piece of racketeering.

* * *

### Always a Danger Signal

ESSENTIAL to women investors—or women speculators— is impersonal, disinterested advice obtainable from reputable financial sources.

Recently The Financial Post received a letter from a disillusioned woman who admitted that she had "invested with this company on the promise of doubling my money within a few months," unaware that the promise itself was a glaring danger signal.

The company is a real estate development concern, now in the hands of a liquidator. Its stock is practically worthless. She has little or no chance of recovering her money.

Women instinctively turn to the family physician in times of sickness or to the family lawyer when legal difficulties arise. In financial matters, the same care is needed, if loss is to be avoided.

Bank managers, executives of recognized stock exchange member firms, well-known and long-established investment houses, are among the channels of reliable information available to women investors. To rely on a more or less casual friend who "has something to do with the stock market" is to obtain both the cheapest and most expensive type of financial advice.

## Asbestos

I am interested in Asbestos Corp. stock. Before the reorganization I held 100 shares; how many shares should I receive under their new agreement? What is the market value of them at present?

The last reorganization of Asbestos Corp. took place in 1932. At that time the old common stock was exchanged for new common on the basis of 50 shares of old for 1¼ shares of new stock. The holder of 100 shares of the old stock would receive 2½ shares of stock in the new company. The new stock is currently quoted on the Montreal Stock Exchange at 36.

## Canadian Bronze

Please let me have a report on the preferred stock of Canadian Bronze Co.

Canadian Bronze Co.'s new 5% preferred stock is well regarded. Public interest in this company first took place in the early part of 1927 when $1,250,000 of 7% preferred stock was put on the market. Ever since then the dividend has been earned several times over. Early this year it was decided to take advantage of low money rates, and the old preferred stock was called in and replaced with a new 5% issue to the extent of $750,000. This stock is the senior ranking charge against assets and earnings. If last year's earnings are repeated in 1936, the company should be able to earn the dividend several times over.

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families
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# Bank Chat

## *Credit Money*

SPECIAL markings to discourage would-be counterfeiters is one of the features of Alberta's "Social Credit" money, and also of the stamps which are to be affixed to the certificates each week.

The certificates themselves are about the size of the Canadian dollar bill—although very grave doubts are harbored if they will be as negotiable—and are in 4 colors, each certificate bearing the provincial coat-of-arms. The stamps measure approximately half an inch by ⅝ths. They are available either in books of 1,000 or in sheets of 100 or less.

The certificates are numbered, bear the signatures of Premier Aberhart, and Provincial Treasurer Cockroft, and are negotiable only when countersigned by J. F. Percival, deputy provincial treasurer.

All that now remains is to persuade businessmen and the public generally to accept them as money—not quite the easy work the premier anticipated.

• • •

## *Manitoba Invasion*

AS WAS to be expected, some of the Alberta Social Crediters took time off from their own troubles to aid aspiring M.P.P.'s in the Manitoba election campaign.

Throughout the contest was spouted much of the same sort of talk bankers have almost come to expect—and with the same lack of tangible proof for the statements. For instance, one of the Alberta brethren publicly opined that "The banking system is the greatest racket in the world . . . The banker is one man who gives you nothing and takes everything. He is responsible for 9/10ths of the human misery of today."

Just how the big ogres achieved this is very vaguely indicated. It appears to have been summarized by the statement that the banker controls the purchasing power and uses it for his own gain. In view of drastic reduction in bank earnings over the last 6 years, bank staffs and the thinking public will realize just how lax head office officials have been in not making use of this prerogative.

• • •

## *British Merger*

ONE of the oldest British banks operating overseas has felt the pinch of depression. The Anglo-South American Bank will merge with the Lloyd's-controlled Bank of London and South America, an erstwhile competitor.

In the twenties, the Anglo invested heavily in the financing of Chilean nitrate and found itself seriously involved when the slump came along. In fact, if it had not been for assistance from the London banking system it is probable that the bank would have been forced into liquidation back in 1931. Moderate recovery in South America has since enabled the bank barely to pay its way.

The merger illustrates very clearly the willingness and ability of the British banking system to act co-operatively to prevent loss to depositors. Those who held balances with the Anglo will not lose a penny. Shareholders, on the other hand, will be left with nothing whatever. Once more, the strength of the British system has been shown to be greater than that of any single one of the units of which it is comprised.

• • •

## *Half Year Earnings*

SPEAKING of British banking, the statements of most of the banks for the first half of this year are now available. A composite picture shows expansion in cash position, investments, loans and deposits — fairly well all down the line. The London Economist contends the figures suggest that an increased cash ratio has been accompanied by slight increases in the percentages of discounts and advances to deposits. The investment ratio, on the other hand, is rather smaller this year; the banks are less heavily committed in the gilt-edged market than in 1935.

"The main impression conveyed . . .," says the British journal, "is of increased liquidity—which is satisfactory, at least, from the point of view of the banks' customers, especially at a time when it is notorious that British banks are carrying a large amount of volatile foreign money. But the shareholders, who, so far as dividends rather than the security of their capital are concerned, naturally see the obverse of the medal, appear to have little reason to expect any significant increase in their earnings, though last year's scale of profits and dividends should be well maintained."

• • •

## *Canadian Profits*

THE trend in Canadian bank earnings may be said to be much the same—perhaps a little less favorable. The continued decline in commercial loans is causing bankers no end of worry, and will probably result in substantially cutting gross earnings from last year's total. The interest reduction, however, should go far to counteract this less favorable earnings trend.

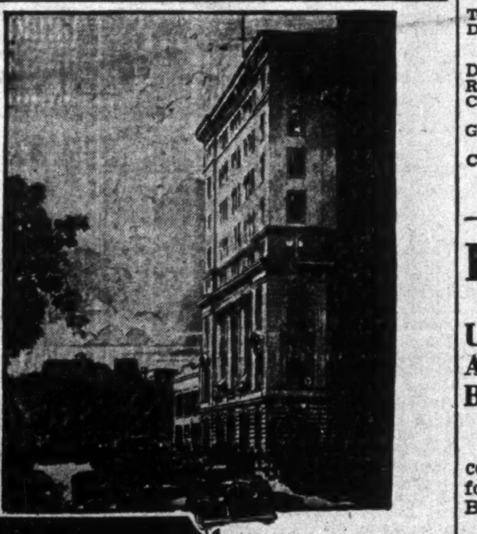
Some justification for the view that earnings of Canadian banks will not be seriously lower than last year's figure is afforded in dividend declarations, which have been maintained at 1935 levels.

## *Bank of Canada Weekly Statement*

The Bank of Canada balance sheet for the week ended July 29 shows practically no change from that of the previous week. Largest changes were a relatively small reduction in Dominion government deposits which was more than offset by greater bank balances, an increase in United States reserve and a $600,000 drop in note circulation.

Balance Sheet

| Liabilities | July 29 $ | July 22 $ |
|---|---|---|
| Capital paid-up | 5,000,000 | 5,000,000 |
| Notes in cir. | 99,508,358 | 100,112,846 |
| Rest fund | 173,092 | 173,092 |
| Dep. Dominion | 16,270,829 | 17,453,725 |
| Banks | 186,714,827 | 185,211,622 |
| Other | 449,137 | 563,726 |
| Total deposits | 203,434,794 | 203,229,073 |
| All other liabs. | 1,970,037 | 2,353,060 |
| Total liabs. | 310,086,280 | 310,868,070 |
| **Assets** | | |
| Reserve: Gold | 179,523,763 | 179,762,721 |
| Silver bullion | 1,775,602 | 1,775,602 |
| Res. in sterling | 157,830 | 954,138 |
| Res. in U. S. | 10,678,518 | 10,340,690 |
| Res. elsewhere | 5,244 | 5,836 |
| Total reserve | 192,140,957 | 192,838,987 |
| Subsidiary coin | 223,774 | 236,233 |
| Advances | 3,000,000 | 3,000,000 |
| Investments: | | |
| Dom. govt. short | 30,586,920 | 30,565,852 |
| Other Dom. govt. | 81,569,904 | 81,623,101 |
| Total invest. | 112,156,824 | 112,188,953 |
| Premises | 210,584 | 209,624 |
| All other assets | 2,354,130 | 2,394,272 |
| Total assets | 310,086,278 | 310,868,069 |
| Reserve ratio | 64.32% | 63.57% |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# Loans Sharply Lower In June Bank Statement

## Credit Index Again Dips to New Low at 35.2 — Savings Deposits Drop $22 Millions

No important variance from the broad trend of banking progress—or lack of it—is revealed in the June statement of the Canadian chartered banks. The swing of funds out of commercial loans and into securities which has been noted with almost monotonous regularity over the last 5 or 6 years advanced a further stage.

This movement has, of course, added to liquidity of the institutions and to that extent benefitted the depositor, although resultant lower profits to the banks have necessitated material reduction of interest paid on deposits. On the other hand the holder of bank stocks has been caused considerable worry as to whether the present greatly reduced dividend rate can be maintained. The reduction of deposit interest effected this summer eased the situation for the time being, but it is felt that the trend cannot be indefinitely continued without adverse effect.

Apparently, businessmen are still hesitant about undertaking any new ventures where additional bank accommodation is required. And many of the larger concerns have ample funds accumulated in slack years to provide adequately for their needs. Add to these factors that loans taken out some time ago are now being liquidated, and that security markets offer low-cost financing, and the predicament of the banks can be visualized.

The June bank statement was awaited with some interest to ascertain just what effect, if any, the reduction in interest rates effected at the beginning of the month would have on savings deposits. Total deposits for the month show an increase of $21.3 millions, but this is entirely due to materially higher demand deposits. Savings dropped more than $22 millions. Part of this is attributed to the interest cut, with possibly a smaller portion due to withdrawals to meet holiday expenditures at the beginning of July.

As a result of the deposit decrease, coupled with a decline of $46.7 millions in Canadian loans, The Financial Post credit index, which is based on the percentage of call and current loans in Canada to Canadian public deposits declined once more to a new low at 35.2. The major items affecting the credit situation are shown in the following table.

Use of Bank Credit in Canada
(In millions of dollars)

| | June, 1936 | May, 1936 | Ch. | June, 1935 | Ch. |
|---|---|---|---|---|---|
| Loans.. | 868.4 | 915.1 | —46.7 | 1,039.8 | —171.4 |
| Inv'ts.. | 1,368.2 | 1,345.2 | +23.0 | 1,017.9 | +350.3 |
| Total.. | 2,236.6 | 2,260.3 | +23.7 | 2,057.7 | +178.9 |
| Depos.. | 2,126.5 | 2,105.2 | +21.3 | 1,971.3 | +155.2 |

It is of interest that "other" securities, representing industrial and utility issues, showed further gain during the month. With the market for governments fairly well exhausted except at very high prices, banks have been turning in some degree to higher yielding, first grade business securities.

Refunding operations by the Dominion government were reflected in the switch of some $90 millions from short to long-term investment holdings.

Cash position recorded further strength in June, the increase being particularly notable in Bank of Canada deposits. A comparative statement, showing changes as compared both with the previous month and a year ago, follows:

ASSETS

| | June, 1936 $ | May, 1936 $ | Change $ | June, 1935 $ | Change $ |
|---|---|---|---|---|---|
| **Immediately Available Liquid Assets** | | | | | |
| Canadian coin | 5,309,562 | 5,175,205 | +134,357 | 5,425,143 | —115,581 |
| Bk. of Can. notes | 34,934,406 | 34,282,576 | +651,832 | 28,384,370 | +6,550,036 |
| Bk. of Can. deposits | 189,463,016 | 185,072,148 | +4,390,868 | 172,902,147 | +16,560,869 |
| Bank's cash | 229,706,986 | 224,529,929 | +5,177,057 | 206,711,660 | +22,995,326 |
| Other bank notes | 8,110,906 | 7,074,580 | +1,036,326 | 7,835,612 | +275,294 |
| Gold & sub. coin abd. | 11,395,440 | 11,283,381 | +112,059 | 8,593,094 | +2,802,346 |
| Foreign banks | 93,154,086 | 111,222,241 | —18,068,155 | 101,775,931 | —8,621,845 |
| Foreign curr. | 25,061,442 | 22,996,749 | +2,064,693 | 21,022,373 | +4,039,069 |
| Gov. sec. short term | 404,622,427 | 493,453,161 | —88,830,734 | 398,081,280 | +6,541,147 |
| Do., long term | 679,522,561 | 587,707,847 | +91,814,714 | 440,659,197 | +238,863,364 |
| Call loans abroad | 64,422,009 | 58,322,836 | +6,099,173 | 67,451,245 | —3,029,236 |
| | 1,515,995,857 | 1,516,590,724 | —594,867 | 1,252,130,392 | +263,865,465 |
| **Loans and Securities Other Than Those of Canadian Government** | | | | | |
| Municipal secs. | 118,989,384 | 111,943,587 | +7,045,797 | 97,973,939 | +21,015,445 |
| Public secs.† | 54,905,435 | 48,945,842 | +5,959,593 | 37,887,143 | +17,018,292 |
| Other secs. | 110,117,918 | 103,141,557 | +6,976,361 | 43,316,697 | +66,801,221 |
| Can. call loans | 90,917,719 | 87,167,995 | +3,749,724 | 85,237,040 | +5,680,679 |
| Current loans | 657,429,289 | 699,774,131 | —42,344,842 | 831,032,518 | —173,603,229 |
| Loans abroad | 150,026,473 | 144,691,129 | +5,335,344 | 156,451,423 | —6,424,950 |
| Prov. loans | 16,235,060 | 24,450,679 | —8,215,619 | 16,370,291 | —135,231 |
| Mun. loans | 103,786,022 | 103,750,033 | +35,989 | 107,185,510 | —3,399,488 |
| | 1,302,407,300 | 1,323,864,953 | —21,457,653 | 1,375,454,561 | —73,047,261 |
| **Other Assets** | | | | | |
| Non-curr. loans | 13,494,887 | 13,591,397 | —96,510 | 14,453,757 | —958,870 |
| Real estate | 8,872,566 | 8,819,129 | +53,437 | 8,716,829 | +155,737 |
| Mortgages | 4,632,758 | 4,678,542 | —45,784 | 5,454,296 | —821,538 |
| Premises | 75,410,341 | 75,606,912 | —196,571 | 76,605,377 | —1,195,036 |
| Letters of credit | 62,165,272 | 58,011,578 | +4,153,694 | 52,650,250 | +9,515,022 |
| Loans to comp. | 9,355,647 | 10,546,631 | —1,190,984 | 13,103,301 | —3,747,654 |
| Other assets | 2,134,437 | 2,232,821 | —98,384 | 3,040,427 | —905,990 |
| | 176,065,906 | 173,487,010 | +2,578,896 | 174,024,237 | +2,041,671 |
| Total | 2,994,469,065 | 3,013,942,687 | —19,473,622 | 2,801,609,190 | +192,859,875 |
| Note circ. dep. | 7,059,299 | 6,889,857 | +169,442 | 6,838,034 | +221,265 |
| Int. bank bal. | 133,446,330 | 86,757,157 | +46,689,173 | 101,040,153 | +32,406,177 |
| Gross | 3,134,974,694 | 3,107,589,701 | +27,384,993 | 2,909,487,377 | +225,487,317 |
| **LIABILITIES** | | | | | |
| **To the Public** | | | | | |
| Circulation | 123,254,784 | 123,371,431 | —116,647 | 129,572,582 | —6,317,798 |
| Dom. Govt. | 40,113,035 | 49,529,294 | —9,416,259 | 32,158,578 | +7,954,457 |
| Prov. Govt. | 40,244,252 | 38,568,675 | +1,675,577 | 35,524,294 | +4,719,958 |
| **Deposits by Public** | | | | | |
| Demand dep. | 621,702,828 | 578,298,032 | +43,404,796 | 545,412,833 | +76,289,995 |
| Savings dep. | 1,504,792,542 | 1,526,915,696 | —22,123,154 | 1,425,837,190 | +78,955,352 |
| Total | 2,126,495,370 | 2,105,213,728 | +21,281,642 | 1,971,250,023 | +155,245,347 |
| Foreign dep. | 389,256,139 | 390,805,383 | —1,549,244 | 340,947,203 | +48,308,936 |
| **Due to Banks Abroad, Etc.** | | | | | |
| United Kingdom | 11,648,240 | 9,833,809 | +1,814,431 | 15,250,336 | —3,602,096 |
| Foreign | 32,858,378 | 28,438,742 | +4,419,636 | 26,648,858 | +6,209,520 |
| Bills payable | 1,012,563 | 890,558 | +122,005 | 747,474 | +265,089 |
| Letters of credit | 62,165,272 | 58,011,578 | +4,153,694 | 52,650,250 | +9,515,022 |
| Other liabs. | 2,628,764 | 2,510,894 | +117,870 | 2,402,809 | +225,955 |
| Total public liab. | 2,829,676,797 | 2,807,174,092 | +22,502,705 | 2,607,152,407 | +222,524,390 |
| Due bet. banks | 15,692,592 | 10,838,786 | +4,853,806 | 13,775,087 | +1,917,505 |
| **Liability to Shareholders** | | | | | |
| Dividends | 792,661 | 2,944,441 | —2,151,780 | 802,286 | —9,625 |
| Reserve | 132,750,000 | 132,750,000 | ........ | 132,750,000 | ........ |
| Capital | 145,500,000 | 145,500,000 | ........ | 145,500,000 | ........ |
| Gross | 3,124,482,050 | 3,099,207,319 | +25,204,731 | 2,899,979,780 | +224,432,270 |
| Credit index | 35.2% | 37.3% | —2.1% | 46.1% | —10.9% |

†Other than Canadian.

# Lost Money

## Uncashed Cheques Are Reported By Royal Bank

Continuing the list of uncashed certified cheques, drafts, etc., the following balances with The Royal Bank remain unclaimed.

**Chapman Dart and Co.**, 158 Bay St., Toronto, issued a certified cheque June 20, 1923 for $20. It was never cashed and the money is being held in the Place d'Armes branch of the bank at Montreal.

**The Dress Specialty Co.**, 485 St. Francis Xavier St., Montreal, issued 5 cheques in 1929. The cheques were for $2 (3), $16.55 and $1, and were issued June 21, 22, 27, Sept. 4 and Nov. 27. None have been cashed and all are held at the Place Viger branch, Montreal.

**The Actors' Social Club**, 19 Benoit St., Montreal, issued 2 cheques—$49.80 on Sept. 14, 1921, and $10.50 on Jan. 18, 1921—which have never been cashed. The money is being held at the St. Catherine and Bleury Sts. branch.

**Whiteman Co.**, 1217 Bleury St., Montreal, issued a cheque or a draft for $20 June 26, 1924. The money is at the St. Catherine and Bleury Sts. branch.

**Lillian Ladies Shop**, 120 St. Catherine St. West, issued a cheque or a money order Oct. 31, 1924 for $50. The money is at the St. Catherine and Bleury Sts. branch.

**Liberty Waist Co.**, Dubrule Bldg., Montreal, issued a cheque Nov. 20, 1924 for $80.75. The money is at the St. Catherine and Bleury Sts. branch.

**Horne Clothing Co.**, of 2050 Bleury St., issued a cheque for $10 Dec. 31, 1926. The money is at the St. Catherine and Bleury Sts. branch.

**Yorkshire Textile Co.**, 23 Dubrule Bldg., Montreal, issued a cheque Oct. 10, 1927, for $79.95. The money is at the St. Catherine and Bleury Sts. branch.

**Cie Creameries Home Ltd.**, 566 Gilford Ave., Montreal, issued a cheque March 23, 1917 for $14. The money is at the St. Denis and St. Catherine Sts. branch.

## Weekly Bank Clearings

| | July 30 1936 $ | Change year ago % | July 23 1936 $ |
|---|---|---|---|
| Halifax | 2,136,501 | +10.7 | 2,458,484 |
| Saint John | 1,475,051 | —5.3 | 1,663,610 |
| Moncton | 577,268 | —5.8 | 748,933 |
| Sherbrooke | 471,514 | —7.7 | 551,054 |
| Quebec | 3,473,560 | —5.9 | 3,728,640 |
| Montreal | 84,688,466 | +13.7 | 90,577,605 |
| Ottawa | 12,494,151 | —11.3 | 14,723,504 |
| Kingston | 483,307 | +5.1 | 530,568 |
| Peterborough | 532,759 | —12.5 | 615,111 |
| Toronto | 99,086,992 | +11.0 | 102,417,864 |
| Hamilton | 3,955,580 | +22.0 | 4,395,710 |
| Kitchener | 930,365 | —3.4 | 960,775 |
| Brantford | 692,315 | +9.7 | 855,705 |
| London | 2,138,882 | —0.6 | 2,617,086 |
| Chatham | 436,195 | +43.2 | 362,407 |
| Sarnia | 387,124 | +18.6 | 506,460 |
| Sudbury | 997,990 | +38.7 | 853,187 |
| Fort William | 723,212 | +37.8 | 782,409 |
| Brandon | 313,865 | +16.1 | 325,607 |
| Regina | 2,507,413 | —28.0 | 2,668,606 |
| Moose Jaw | 406,912 | +6.5 | 539,775 |
| Saskatoon | 1,268,722 | —32.0 | 1,353,772 |
| Prince Albert | 290,065 | —3.5 | 346,820 |
| Edmonton | 2,978,148 | —9.8 | 3,686,024 |
| Calgary | 5,095,081 | +52.0 | 5,095,081 |
| Medicine Hat | 175,427 | —5.1 | 291,660 |
| Lethbridge | 423,608 | +10.8 | 410,367 |
| N. W'minster | 706,905 | +35.9 | 564,264 |
| Vancouver | 19,065,038 | +22.4 | 18,995,558 |
| Victoria | 1,636,432 | +11.4 | 1,744,561 |

## Monthly Bank Clearings

| | July, 1935 | July, 1936 |
|---|---|---|
| Halifax | $10,025,131 | $11,077,272 |
| Saint John | 7,430,419 | 7,619,457 |
| Moncton | 3,263,436 | 3,067,389 |
| Sherbrooke | 2,660,795 | 2,612,224 |
| Montreal | 369,958,352 | 423,595,619 |
| Ottawa | 102,417,952 | 81,700,153 |
| Kingston | 2,528,273 | 2,581,646 |
| Toronto | 451,638,760 | 495,652,340 |
| Hamilton | 16,688,791 | 19,919,088 |
| Kitchener | 4,103,008 | 4,640,030 |
| Brantford | 4,076,206 | 4,199,865 |
| London | 11,389,046 | 12,503,709 |
| Chatham | 1,759,452 | 2,013,767 |
| Windsor | 9,348,318 | 11,152,760 |
| Sudbury | 3,276,169 | 3,999,279 |
| Brandon | 1,363,412 | 1,496,455 |
| Regina | 16,423,810 | 13,697,733 |
| Moose Jaw | 2,195,263 | 2,373,251 |
| Saskatoon | 6,298,331 | 6,241,580 |
| Prince Albert | 1,502,924 | 1,524,339 |
| Edmonton | 16,244,094 | 16,280,992 |
| Lethbridge | 2,004,987 | 1,943,280 |
| New Westminster | 2,274,863 | 2,864,513 |
| Vancouver | 64,560,762 | 83,788,267 |
| Victoria | 6,914,754 | 7,873,003 |

## Staff Changes

The Bank of Montreal has made the following changes in staff:

W. B. HARSHAW, formerly manager at 62 Sparks St., Ottawa, to be associate manager at Ottawa.

W. K. POPE, formerly accountant at 62 Sparks St., Ottawa, to be manager at Barrys Bay.

M. H. HAY, formerly manager at Barrys Bay, to be manager at Lucan.

J. MACDONALD, formerly manager at Lucan, to be manager at Wallaceburg.

M. H. JOHNSTON, formerly manager at Wallaceburg, to be manager at Woodstock, Ont.

# *Ontario Accidents More This Year*

Ontario motor vehicle accidents in the first 5 months of this year numbered 3,436, the highest total in recent years. Fatalities, however, were lower than in the same period of 1935 at 140. Last year, 158 fatalities arose from the 3,187 accidents. Persons injured increased from 2,800 in 1935 to 2,932 and property damage from $293,628 to $343,476.

In part, the less favorable experience may be attributed to greater use of the roads. The fatal accident rate per 10 million gallons of gasoline used was the lowest in some years.

Children under 15 years of age comprise more than 25% of the total non-fatally injured.

# Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

## Lumberman's Alliance

I would ask you to give me information concerning the Lumberman's Underwriting Alliance. Is it safe to place fire insurance with these people?

Lumberman's Underwriting Alliance, of Kansas City, Mo., is a reciprocal company licensed to operate in Canada and maintaining the customary deposit with the Receiver-General.

In 1935, the company reported underwriting and investment earnings of more than $4 millions, almost $1 million above those of the previous year and the highest in the history of the organization. Premium income at $20.3 millions was more than $2 millions greater than in 1934, this representing the 23rd successive increase. The total paid for losses and returned to policyholders in dividends amounts to $82.4 millions. Net cash surplus at the end of last year was $3.1 millions, net admitted assets $22.6 millions. The company enjoys a sound reputation and is generally well regarded.

As you probably know, reciprocal insurance is conducted through an exchange which is based upon an agreement upon the part of every member to pay a share of the losses sustained by any other member from certain specified causes. The amount that each member or subscriber pays will depend upon the risk to which he subjects the other members of the exchange. In other words, a reciprocal exchange is neither a company nor a corporation, but an agreement between subscribers on the one hand and the manager of the exchange on the other.

Two essentials of a successful reciprocal are an implicit faith between the subscriber and the manager, and a thorough and complete knowledge of the power of attorney on the part of a subscriber. If these 2 factors are present, there is no reason why a satisfactory contract should not be worked out.

The history of these organizations in the United States, where most of them have their origin, has been that mortality depends very largely upon the control exercised by the states. In this respect, the legislative control of the federal and provincial insurance departments in Canada leaves little to be desired.

## Insurance Inklings

F. W. WILLIAMS who has been appointed district manager at Moncton for Canada Life.

• • •

GASTON MASSE has been appointed supervisor for the French section of Montreal No. 1 branch of Great-West Life.

• • •

MARITIME LIFE reports a substantial increase in business and in interest income for the first 6 months of 1936. The company held its quarterly board meeting at Halifax recently.

## Six Offices Closed By Chartered Banks

Six offices of Canadian chartered banks were closed in June, bringing the total in operation at the month end to 3,529. Since, The Bank of Nova Scotia has opened a sub-branch at Pamour, Ont., a gold mining section near Timmins.

Offices closed during the month were:

Royal—Arden, Man., Rocanville, Sask.

Montreal — Brinston, Granton, Ont., Le Pas, Man.

Commerce—Yonge & Colborne Sts., Toronto.

# Three Claims Reach Total Of $400,000

## Largest Death Payment in 1935 Was William Inglis, Toronto

### HE HAD $234,000

The largest individual payment on a life insurance policy matured by death in Canada during 1935 was that on the life of the late William Inglis, according to the annual compilation of life insurance payments made by National Underwriter of Chicago. The amount paid to the estate of Mr. Inglis is given as $234,000.

Next comes David Sloan, of Vancouver, with a policy credited at $100,000. The only other payment above the $50,000 mark is that to the estate of the late Col. Wm. F. Eaton, of Oakville, shown at $66,000.

Two payments of $50,000 each are reported, one from Montreal in respect of Anne F. Campbell, and the other from Victoria under the name of John R. M. Matson.

### Nine Canadians Listed

In all, the names of 9 Canadians are shown as having left life insurance to the value of $30,000 or more. This compares with 7 such amounts last year and 12 in 1933. The highest payment reported in 1934 was one for $62,000 on the life of a Quebec doctor.

The complete list for 1935 follows:

| Individual Payments in Canada, | 1935 $ |
|---|---|
| William Inglis, Toronto | 234,000 |
| David Sloan, Vancouver | 100,000 |
| William F. Eaton, Oakville | 66,000 |
| Anne F. Campbell, Montreal | 50,000 |
| John R. M. Matson, Victoria | 50,000 |
| Walter W. Bearmore, Kirkfield, Ont. | 45,000 |
| Lawrence A. Bates, Winnipeg | 33,500 |
| Robert S. Boyd, Truro | 33,000 |
| John D. Cunningham, Collingwood | 31,000 |

### Big U. S. Payments

The largest individual life insurance payment on this continent in 1935, according to this tabulation, was on the life of Benjamin Bensinger, of Chicago, who had policies totalling $2.5 millions. Mr. Bensinger was formerly president of the Brunswick-Balke-Collender Company. Only one other American had insurance over the $1 million mark—C. B. Cottrell, president of the printing press manufacturers of that name.

Will Rogers, noted actor and humorist, had $582,000 in life insurance at the time of his death, although at one time he had nearly $1 million of protection. Most of this was in endowment policies which matured before his death.

### $160 Millions in Canada

Total disbursements in Canada in respect of life assurance and annuity contracts in 1935, according to official figures prepared by the Federal insurance department at Ottawa, amounted to almost $160 millions compared with $169 millions in the previous year. Apart from peak payment in the 3 years 1932-34 inclusive, this was the highest amount disbursed in any year.

Of this 1935 total;

$70 millions was disbursed in surrender values.

$41 millions in death claims.

$30 millions in dividends to policyholders.

$12.7 millions in matured endowments.

$3 millions in disability claims.

$2.3 millions in life annuity contracts.

### New Records Made

The sums paid out for matured endowments and for life annuity contracts both reached new high peaks in 1935 being larger in each case than any similar disbursements in previous years. These disbursements amounted to 76.7% of the total consideration received for life insurance premiums and annuity considerations during the year.

The most important change during the year was the decline in surrender value payments which dropped from $79 millions in 1934. The high point in surrender value payments was in 1933 when almost $92 millions was disbursed.

### Almost 3 Billions

Total sum paid out to policyholders and beneficiaries of life companies in the United States and Canada is $2.9 billions, according to the National Underwriter's survey compared with $3.1 billions the previous year. The decline is due to the smaller demand for cash surrender values due to improvement in business and general economic conditions and also to the fact that prevailing low interest rates were reflected in lower dividends to policyholders. The amounts paid in death claims, matured endowments, annuities, disability claims, etc., increased to nearly $1.5 billion in 1935 compared with less than $1.4 billion in 1934.

### Montreal Leads Cities

A further analysis by the National Underwriter shows the distribution of policy payments on death claims for 18 leading Canadian cities.

Leading the list this year is Montreal where $10.7 millions was distributed. This is a sharp increase from the corresponding amount of $6.1 millions credited to that city for 1934.

Toronto, which stood in first place in 1934, with a total distribution of $15.4 millions, now ranks second with $8.5 millions.

As in previous years the list also includes the amount distributed in St. John's, Newfoundland, which this publication continues to list as part of Canada.

Total distribution in 17 leading cities amounted to $37.4 millions compared with $34 millions in corresponding number of cities last year.

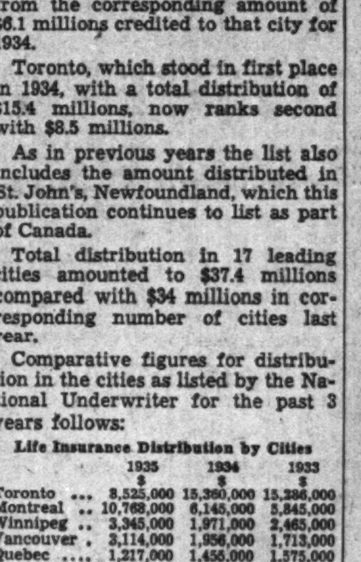
Comparative figures for distribution in the cities as listed by the National Underwriter for the past 3 years follows:

Life Insurance Distribution by Cities

| | 1935 $ | 1934 $ | 1933 $ |
|---|---|---|---|
| Toronto | 8,525,000 | 15,360,000 | 15,286,000 |
| Montreal | 10,768,000 | 6,145,000 | 5,845,000 |
| Winnipeg | 3,345,000 | 1,971,000 | 2,465,000 |
| Vancouver | 3,114,000 | 1,956,000 | 1,713,000 |
| Quebec | 1,217,000 | 1,456,000 | 1,575,000 |
| Ottawa | 1,443,000 | 1,074,000 | 1,935,000 |
| Halifax | 782,000 | 845,000 | 440,000 |
| Calgary | 1,122,000 | 843,000 | 498,000 |
| London | 1,105,000 | 811,000 | 836,000 |
| Victoria | 617,000 | 645,000 | ...... |
| Edmonton | 759,000 | 638,000 | 387,000 |
| Regina | 396,000 | 452,000 | 183,000 |
| Moose Jaw | ...... | 411,000 | 183,000 |
| Westmount | 1,290,000 | 407,000 | 693,000 |
| Outremont | ...... | 371,000 | 133,000 |
| Kitchener | ...... | 309,000 | 248,000 |
| St. John's (Nfld.) | 397,000 | 302,000 | 285,000 |
| Hamilton | 1,661,000 | ...... | ...... |
| Windsor, Ont. | 424,000 | ...... | ...... |
| Saskatoon | 340,000 | ...... | ...... |
| Saint John (N.B.) | 450,000 | ...... | ...... |

THERE'S A SUN LIFE POLICY FOR EVERYONE
THE ORDINARY LIFE PLAN
*PROVIDES:* The Greatest Amount of Permanent Protection for the Least Annual Outlay.
*Some of its Uses:* ● Provision of Income for Dependents. ● Payment of Debts occasioned by Death. ● Clearing of Mortgages or Business Obligations.
*THE POLICY FOR EVERYMAN*
SUN LIFE of CANADA
1865 1936

## NEW PRESIDENT



JAMES CROSSLAND, C.L.U.

The Head Office of The Mutual Life of Canada has announced that Mr. James Crossland, C.L.U., of the King Street, Toronto, agency, led the entire field force of the Company in production during the 12 months ending June 30th, and is the President of the Quarter Million Club. Mr. Crossland has been First Vice-President of the Club for the past three years.

He was also the leading personal producer of the Company for the calendar years 1934 and 1935 and the second largest producer in 1933.

## Lays Bare Problems Of Insurance Buying

**BUYING INSURANCE, a problem of business management. By P. D. Betterley. Published by McGraw-Hill Book Co. Price $2.50.**

Mr. Betterley is an insurance consultant who after 25 years of insurance-buying experience is convinced that most users of insurance do not have adequate or economical protection. Accordingly, he has written this book to "stimulate interest in insurance buying as a management function, guide the reader in the solution of his insurance problems and lay the ground work for building up a programme which will serve most efficiently in the individual case."

The book is comprehensive but technical and intended obviously for an insurance manager or the executive in a large corporation who is responsible for insurance coverage. It is well edited and indexed, each chapter being divided into a score or more of individual subjects which cover the whole gamut of insurance policies, fundamentals and procedure.

The bulk of the information is applicable to Canada except matters dealing with policy forms and contracts. On this score, the Canadian insurance buyer is in a much better position than his American cousin, since 8 of our 9 provinces have achieved praiseworthy uniformity, the lack of which is greatly deplored (as far as the U. S. is concerned) by Mr. Betterley.

United States Fidelity & Guaranty Company
TORONTO

"Canada's Largest Fire Mutual"
The WAWANESA MUTUAL INSURANCE CO.
Ranks 3rd against all companies on total volume of fire business written in Canada
FIRE WINDSTORM SPRINKLER LEAKAGE AUTOMOBILE
LIABILITY DOCTORS' AND DENTISTS' LIABILITY PLATE GLASS
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Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Moncton, N.B.

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TURN "EXPENSE" INTO "INVESTMENT"
OUR plan of mutual fire insurance will not only give you full protection in a sound, reliable company — it will also earn you dividends of 20% to 30% each year.
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Winnipeg
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Montreal
Quebec City
St. John
Halifax
NORTHWESTERN MUTUAL FIRE ASSOCIATION

The Independent Order of Foresters
*Monthly Income During Disability*
*Certificate Plan B:* Issued by the Society affords outstanding protection. It provides an Old Age Benefit, payable in one sum, for the full amount of the Certificate, on the 60th birthday, or, payment in the event of death.
*In addition*, the Certificate provides a generous Disability Benefit of Ten Dollars a month, for each $1000 of Protection carried. Payments of such benefit are not a charge against the Certificate when it becomes a claim, either as a result of death or old age.
The Certificate contains the usual automatic non-forfeiture privileges. Double Indemnity may be secured for the payment of a nominal sum.
FRANK E. HAND, *Supreme Chief Ranger.*
HEAD OFFICE, TEMPLE BUILDING, TORONTO, CAN.

A MUTUAL COMPANY
NORTH AMERICAN LIFE
*Solid as the Continent*
HEAD OFFICE — Toronto, Canada
ALL PROFITS FOR POLICYHOLDERS

"A Sound Concern!"
Founded 1880
These three words have often been used to sum up a long lifetime of service, stability through storm and stress, a high reputation for prompt settlements, policies that exactly meet current needs, and a personnel of agents that reflects the integrity of the company.
*Such is*
THE EMPLOYERS' Liability Assurance Corporation Limited, of London, England
MONTREAL TORONTO
WINNIPEG CALGARY VANCOUVER
FIRE - AUTOMOBILE - CASUALTY

# STOCK AND BOND MARKET QUOTATIONS

## Montreal, Toronto, Curb

This table is confined to official prices for listed stock. Where no recent transaction has taken place on stock exchanges, the latest available bid and asked quotations are given to indicate the current level of prices. For unlisted stocks, for which transactions are not officially recorded, bid and asked quotations by unlisted dealers are published under "Unlisted Stocks" on this page.

WEEK ENDING AUGUST 3

| Range 1936 High | Low | Div R'te $ | Jly31 Y'ld % | | Sales | Last July 27 | Week end. Aug. 3 H | L | Cl'se |
|---|---|---|---|---|---|---|---|---|---|
| | | | | A | | | | | |
| 2.50 | 1.25 | . | ... | Abitibi | 27925 | 2.12 | 2.37 | 1.75 | 2.25 |
| 13¾ | 6½ | . | ... | Do. pref. 6% | 2275 | 13½ | 13½ | 12¼ | 13 |
| 14 | 6½ | . | ... | Do. cert. dep. | 570 | 11½ | 14 | 13 | 13½ |
| 4½ | 4½ | . | ... | Acadia Sugar | .... | (.04 bid — asked) | | | |
| 21 | 14½ | 50c | 2.5 | Acme Glove | .... | (— bid 20 asked) | | | |
| 100 | 95 | 6.50 | 6.8 | Do. pref. | 13 | 96 | 97 | 95 | 97 |
| 10 | 7½ | 40c | 4.8 | Agnew Surp. | 400 | 8½ | 8½ | 8 | 8 |
| 107 | 102 | 7 | 6.6 | Do. pref. | .... | (105 bid — asked) | | | |
| 6 | 2 | . | ... | Alta. Pac. Gr. | 15 | 3 | 2 | 2 | 2 |
| 29 | 24 | . | ... | Do. pref. | 5 | 27½ | 24 | 24 | 24 |
| 3 | 2 | . | ... | Amal. Electric | .... | (1½ bid 2 asked) | | | |
| 23 | 14 | . | ... | Do. pref. | .... | (15 bid 20 asked) | | | |
| 40½ | 29½ | 15c | ... | Amer. Cyn. B. | 225 | 35 | 36 | 35 | 36 |
| 55 | 51½ | 3.50 | 6.4 | Ang. C. Tel. pf. | 10 | 55 | 54½ | 54½ | 54½ |
| 36 | 17½ | . | ... | Asbestos v. t. | 410 | 35½ | 36 | 35 | 35½ |
| 15 | 9½ | 60c | 6.3 | Assoc. Brew. | 31 | 10 | 10 | 9½ | 9½ |
| 110 | 103 | 7 | 6.8 | Do. pref. | .... | (106½ bid 109 asked) | | | |
| 8½ | 8½ | . | ... | Assoc. T. & T. | .... | (8½ bid — asked) | | | |
| 35 | 34 | . | ... | Do. pref. | .... | (35 Feb. 12) | | | |
| 106 | 105½ | 7 | 6.6 | Atlan. Sug. p. | .... | (105 bid — asked) | | | |
| | | | | B | | | | | |
| 58½ | 51½ | 2.25 | 3.9 | Bank of Canada | 116 | 57¾ | 57¾ | 57½ | 57½ |
| 140 | 133 | 8 | 5.7 | Bk. Can. Nat. | 23 | 139 | 140 | 139 | 140 |
| 214 | 182½ | 8 | 4.1 | Bk. Montreal | 221 | 194 | 196 | 192 | 192½ |
| 300 | 271 | 12 | 4.2 | Bk. N. Scotia | 641 | 282 | 283 | 281 | 281½ |
| 235 | 220 | 10 | 4.5 | Bk. Toronto | 31 | 220 | 221 | 221 | 221 |
| 13½ | 11 | 75c | ... | Barcelona | .... | (8 bid 9 asked) | | | |
| 17¾ | 10½ | . | ... | Bathurst Pr. | 2408 | 13 | 14 | 12¾ | 13 |
| 5¾ | 3 | . | ... | Do. (B) | 75 | 4 | 4¾ | 4½ | 4¾ |
| 4 | 1½ | . | ... | Bawlf Grain | .... | (1½ bid 2 asked) | | | |
| 28 | 24 | . | ... | Do. pref. | 15 | 26 | 24 | 24 | 24 |
| 3 | 2½ | . | ... | Beath & Sons | .... | (2½ bid — asked) | | | |
| 15 | 9½ | . | ... | Beatty Bros. A. | .... | (10 bid 10½ asked) | | | |
| 107 | 96 | 6 | 5.6 | Do. pref. | 70 | 104 | 107 | 107 | 107 |
| 3½ | 1½ | . | ... | Beauharnois | 2287 | 3¼ | 3½ | 3 | 3¼ |
| 110 | 105 | 4 | 3.8 | Belding Cort. | .... | (99 bid — asked) | | | |
| 136 | 130 | 7 | 5.2 | Do. pref. | .... | (136 bid — asked) | | | |
| 150 | 140 | 6 | 4 | Bell Telephone | 468 | 147½ | 149½ | 147 | 149 |
| 36 | 30 | 1.25 | ... | Biltmore Hats | .... | (36 bid 39½ asked) | | | |
| 110 | 110 | 7 | 6.4 | Do. pref. | .... | (— bid — asked) | | | |
| 5 | 3½ | . | ... | Bissell, T. E. | .... | (— bid 4 asked) | | | |
| 50 | 33 | . | ... | Do. pref. | 5 | 38 | 33 | 33 | 33 |
| 5 | 3½ | . | ... | Blue Ribbon | .... | (4 bid — asked) | | | |
| 33 | 27 | 2 | 6.6 | Do. pref. | 10 | 30 | 29½ | 29½ | 29½ |
| 26½ | 26 | . | ... | Brant. Cord new | 270 | 26¾ | 26½ | 26 | 26½ |
| 15½ | 9¾ | 30c | ... | Brazilian Tr. | 8543 | 12½ | 12¼ | 11¾ | 11¾ |
| 1.45 | .80 | . | ... | Brew. & Distil. | 2285 | .95 | 1.00 | .85 | .85 |
| 4½ | 2½ | . | ... | Brewing Corp. | 570 | 2½ | 2½ | 2½ | 2¾ |
| 18½ | 13¾ | 1.50 | 9.8 | Do. pref. | 60 | 15½ | 15½ | 15 | 15 |
| 9 | 5 | 30c | 6 | Bright, T. G. | .... | (6 bid 8 asked) | | | |
| 82 | 80 | 6 | 7.5 | Do. pref. | .... | (80 bid — asked) | | | |
| 27¾ | 16½ | 80c | 3.2 | Brit. Amer. Oil | 4967 | 25 | 25½ | 24¾ | 24¾ |
| 13 | 8½ | . | ... | B. C. Packers | 299 | 8¾ | 9¾ | 8½ | 9¾ |
| 32½ | 28½ | 1.50 | 5 | B. C. Power (A) | 490 | 30½ | 30½ | 30 | 30 |
| 5¾ | 3½ | . | ... | Do. (B) | 600 | 4½ | 4½ | 4½ | 4½ |
| 16 | 7½ | 10c | ... | Bruck S. Mills | 400 | 9½ | 9½ | 9 | 9½ |
| 42½ | 33 | 1+25c | 2.9 | Building Prod. | 375 | 40¾ | 42½ | 40¾ | 42½ |
| 25½ | 20 | . | ... | Burry Biscuit | .... | (26½ bid 27 asked) | | | |
| 56 | 51 | 3 | 5.3 | Do. pref. | 125 | 52 | 56 | 55 | 56 |
| 47½ | 37½ | 2 | 4.8 | Burt, F. N. | 242 | 41½ | 42 | 41½ | 41½ |
| | | | | C | | | | | |
| 86½ | 75 | 6 | 7 | Calgary Pr. | .... | (75 bid — asked) | | | |
| 6½ | 4½ | . | ... | Canada Bread | 1080 | 5½ | 6½ | 5½ | 6½ |
| 100 | 90 | 1.25+50c | ... | Do. pref. A. | 5 | 95 | 100 | 100 | 100 |
| 44 | 30 | . | ... | Do. pref. (B) | 120 | 42 | 43 | 42 | 42 |
| 10½ | 6½ | 40c | ... | Canada Bud | 1020 | 9¼ | 10½ | 9¾ | 10 |
| 8 | 6 | . | ... | Canada Cement | 2194 | 6½ | 6½ | 6½ | 6½ |
| 81½ | 58 | . | ... | Do. pref. | 271 | 79 | 79 | 77 | 78 |
| 70 | 57 | 1.50+1 | 4.1 | Can. & D. Sug. | 125 | 60 | 60 | 59½ | 59½ |
| b16½ | 10¾ | . | ... | Canada Dry | 4532 | 14½ | 14¾ | 13¾ | 14 |
| 7 | 3 | . | ... | Can. Forg. (A) | 5 | 3¼ | 4 | 4 | 4 |
| 2 | 2 | . | ... | Do. (B) | .... | (2 bid — asked) | | | |
| 50 | 40 | . | ... | Canada Iron | .... | (30 bid 50 asked) | | | |
| 60 | 60 | 3 | 5 | Do. pref. | .... | (51 bid — asked) | | | |
| 35 | 30½ | 1.50+50c | 6.1 | Can. Malting | 450 | 32½ | 33 | 31¼ | 33 |
| 27¾ | 22½ | 1.20 | 4.3 | Can. Nor. Pr. | 1850 | 25 | 27½ | 25 | 26½ |
| 111 | 107¾ | 7 | 6.3 | Do. pref. | .... | (110 bid — asked) | | | |
| 93 | 80 | 3 | 3.3 | Can. Packers | 81 | 88 | 90 | 88 | 88 |
| 118 | 105 | . | ... | Can. Paper, pf. | .... | (110 bid — asked) | | | |
| 2 | 1½ | . | ... | Can. Paving, pf. | .... | (1½ bid 2 asked) | | | |
| 160 | 137½ | 8 | 5.4 | Can. Perman. | 76 | 148 | 150 | 148 | 148½ |
| 2½ | 1 | . | ... | Can. Steamsh's. | 185 | 2 | 2 | 2 | 2 |
| 15½ | 6¼ | . | ... | Do. pref. | 925 | 8 | 8 | 7 | 7½ |
| 27½ | 19½ | 1.60 | 5.7 | Can. Vinegars | 350 | 20½ | 21 | 20 | 21 |
| 27½ | 20½ | . | ... | Can. W. Cable | .... | (29½ bid — asked) | | | |
| 14 | 9 | . | ... | Do. (B) | 25 | 13 | 14 | 14 | 14 |
| 102¾ | 98½ | . | ... | Do. pref. | .... | (106 bid — asked) | | | |
| 4 | 2 | . | ... | Can. Bakeries | .... | (2½ bid 3½ asked) | | | |
| 57 | 40 | . | ... | Do. pref. | 35 | 40 | 45 | 45 | 45 |
| 170 | 148 | 8 | 5.1 | Can. Bk. Com. | 296 | 154 | 155 | 152 | 155 |
| 41 | 31 | 1 | 2.6 | Can. Bronze | 110 | 37 | 37½ | 37½ | 37½ |
| 116 | 101½ | 5 | 4.6 | Do. pref. | .... | (108 bid — asked) | | | |
| 5¼ | 4 | . | ... | Can. Canners | .... | (4½ bid 5 asked) | | | |
| 101 | 88¾ | 6 | 6 | Do. 1st pfd. | 25 | 100 | 100 | 100 | 100 |
| 8½ | 5 | . | ... | Do. 2nd. pfd. | 1155 | 7 | 7½ | 7 | 7½ |
| 8¾ | 5½ | . | ... | Can. Car & Fd'y | 5190 | 8¾ | 8¾ | 8 | 8½ |
| 20½ | 13 | . | ... | Do. pref. | 2821 | 20½ | 20½ | 18¾ | 19 |
| 31½ | 25½ | 40c | ... | Can. Celanese | 230 | 28 | 28 | 27 | 27 |
| 128 | 112 | 7 | 5.8 | Do. pref. | 135 | 119¾ | 120½ | 119½ | 120½ |
| 21½ | 18 | . | ... | Do. Rights | .... | (21 bid — asked) | | | |
| 30 | 22½ | 2 | 8 | Can. Convert. | .... | (— bid 26 asked) | | | |
| 51 | 48 | 4 | 7.8 | Can. Cottons | .... | (51 bid — asked) | | | |
| 105 | 97 | 6 | 5.9 | Do. pref. | .... | (101 bid 105 asked) | | | |
| 50 | 37 | 2+1 | 6.3 | Can. Dredge | 340 | 47 | 47½ | 47½ | 47½ |
| 100 | 98¾ | 6 | 6.1 | Can. Fairb., pf. | .... | (94½ bid — asked) | | | |
| 34 | 23½ | 1.60 | 5.5 | Can. For. Inv. | 25 | 28 | 28½ | 28½ | 28½ |
| 107½ | 105 | 8 | 7.4 | Do. pref. | 3 | 107½ | 107½ | 107½ | 107½ |
| 175 | 150 | 5 | 3 | Can. Gen. Elec. | 5 | 155½ | 162 | 162 | 162 |
| 8½ | 7½ | 40c | ... | Can. G. Inv. | .... | (7½ bid — asked) | | | |
| 48 | 26 | . | ... | Can. Hyd. El. p. | 1215 | 29 | 41 | 39½ | 40½ |
| 12½ | 6½ | . | ... | Can. Ind. Alc. | 6020 | 6¾ | 7¾ | 6½ | 6¾ |
| 11½ | 5 | . | ... | Do. (B) | 1300 | 5½ | 6½ | 5½ | 5½ |
| 225 | 221 | 4+75c | ... | Can. Indust. B. | .... | (221 May 27) | | | |
| 4 | 1 | . | ... | Can. Int. I. Tr. | .... | (1½ bid 3 asked) | | | |
| 65 | 35 | . | ... | Do. pref. | .... | (55 bid — asked) | | | |
| 23 | 20 | 1 | 4.4 | Can. Lt. & Pr. | 20 | 22½ | 23 | 23 | 23 |
| 4 | 2 | . | ... | Can. Locomo. | 25 | 2½ | 2 | 2 | 2 |
| b2¾ | 1¾ | . | ... | Can. Marconi | 6200 | 1½ | 1¾ | 1½ | 1¾ |
| 18 | 12 | 50c | 3.8 | Canadian Oil | .... | (12 bid 13½ asked) | | | |
| 132 | 123 | 8 | 6 | Do. pref. | 15 | 130 | 132 | 132 | 132 |
| 15¾ | 10¾ | . | ... | Can. Pacific | 6902 | 12¾ | 13 | 12 | 12½ |
| .15 | .10 | . | ... | C. Pr. & Pa. In. | .... | (.30 bid 1.00 asked) | | | |
| 7 | 4½ | . | ... | Do. pref. | .... | (6 bid — asked) | | | |
| 3¾ | 1½ | . | ... | Can. Vickers | 120 | 3 | 3 | 3 | 3 |
| 25 | 12 | . | ... | Do. pref. | 5 | 18 | 16 | 16 | 16 |
| 25 | 25 | . | ... | C. Wallpaper A. | 50 | 25 | 25 | 25 | 25 |
| 26 | 25 | . | ... | Do. (B) | 100 | 25 | 25 | 25 | 25 |
| 3½ | 2 | . | ... | Can. Wineries | 315 | 3 | 2¾ | 2½ | 2½ |
| 26½ | 21 | 1.50 | ... | Can. Wire Box | 125 | 24¾ | 24¾ | 24¾ | 24¾ |
| 102½ | 100 | 5 | 4.9 | Carnation, pf. | 100 | 101½ | 101½ | 101½ | 101½ |
| 5½ | 2½ | . | ... | Catelli Food | 25 | 5 | 5½ | 5½ | 5½ |
| 15 | 12 | 38c | ... | Do. (B) | 9 | 12 | 12½ | 12½ | 12½ |
| 165 | 165 | 8 | 4.8 | Cent. Can. Loan | .... | (160 bid 195 asked) | | | |
| 1.60 | .85 | . | ... | Chem. Research | 1800 | 1.22 | 1.23 | 1.10 | 1.10 |
| 3.00 | 1.50 | . | ... | City Gas & Elec. | 25 | 1.75 | 1.60 | 1.60 | 1.60 |
| .60 | .25 | . | ... | Claude Neon | 500 | .35 | .35 | .25 | .25 |
| 14½ | 12½ | 92c | ... | Coast Brew. | 180 | 12¾ | 13 | 12½ | 12¾ |
| 8 | 4 | . | ... | Do. Rights | 693 | 7½ | 8 | 8 | 8 |
| 9¾ | 5¾ | . | ... | Cockshutt Plow | 640 | 6½ | 6 | 5¾ | 5¾ |
| 1.35 | .60 | . | ... | Comm. Alcohol | 35 | .90 | .85 | .70 | .70 |
| 18¾ | 15¾ | 80c | 4.4 | Cons. Bakeries | 695 | 17½ | 18½ | 17½ | 18 |
| 5 | 2 | . | ... | Cons. Paper | 12449 | 4¾ | 5 | 4¾ | 5 |
| 9 | 5 | . | ... | Cons. Press | 10 | 5½ | 5¾ | 5¾ | 5¾ |
| 35 | 33 | . | ... | Cons. Sand, pf. | .... | (32 bid — asked) | | | |
| 57¾ | 51 | 50c | ... | Cons. Smelters | 3147 | 57 | 57½ | 56¾ | 57 |
| 205½ | 189 | 10 | 4.9 | Consumers' Gas | 117 | 202 | 203 | 201 | 203 |
| 90 | 78 | 1.75 | 8.6 | Corr. P. Box, pf. | .... | (80 bid 82 asked) | | | |
| 24½ | 17½ | 80c | 3.1 | Cosmos Imp. | 455 | 24 | 24½ | 23½ | 24½ |
| 105 | 102 | 5 | 4.7 | Do. pref. | .... | (105 bid 106 asked) | | | |
| 17 | 15 | 80c | 4.9 | Crown Cork | 620 | 16½ | 17 | 16½ | 17 |
| 2¾ | 2 | . | ... | Crown Dom. Oil | .... | (1¾ bid 2 asked) | | | |
| 56 | 30 | 3 | ... | Crow's N. Coal | .... | (48 bid 50 asked) | | | |
| | | | | D | | | | | |
| 4 | 2 | . | ... | David & Fre. B. | .... | (2¼ bid 2½ asked) | | | |
| 1.25 | .50 | . | ... | Do. (B) | .... | (— bid .75 asked) | | | |
| 7 | 2 | . | ... | De Havilland | 75 | 3¾ | 4 | 4 | 4 |
| 68 | 40 | . | ... | Do. A. | .... | (— bid 61½ asked) | | | |
| 4 | 4 | . | ... | Disher Steel | .... | (— bid 3½ asked) | | | |
| 11¼ | 7½ | . | ... | Do. pref. | 320 | 10 | 10 | 10 | 10 |
| 34¼ | 18½ | . | ... | Distill-Seagram | 12115 | 21 | 23½ | 20¾ | 23 |
| 222½ | 190 | 10 | 5 | Dom. Bank | 304 | 199 | 200 | 197 | 200 |
| 41½ | 32 | 1.20 | 2.8 | Dom. Bridge | 1770 | 40½ | 41¼ | 40¼ | 41 |
| 18¼ | 14 | 1.50 | 8.2 | Dom. Coal, p. n. | 6151 | 17¾ | 18¼ | 17¼ | 18¼ |
| 36 | 26½ | . | ... | Dom. Engineer | 245 | 34 | 34 | 33 | 33 |
| 53 | 32 | . | ... | Dom. Foundries | .... | (47 bid 60 asked) | | | |
| 115 | 106 | 5 | 4.5 | Dom. Glass | 159 | 109 | 110 | 110 | 110 |
| 155 | 135 | 7 | 4.5 | Do. pref. | 5 | 150 | 155 | 155 | 155 |
| 35½ | 33 | . | ... | Dom. Oilcloth | 5 | 34 | 34 | 34 | 34 |
| 100 | 95 | 7 | 7.3 | Dom. Rubber, p. | .... | (90½ bid — asked) | | | |
| 8 | 3½ | . | ... | Dom. St. & C. B. | 4821 | 6 | 6½ | 5½ | 5½ |
| 12 | 8 | . | ... | Dom. Stores | 1975 | 9 | 9¾ | 9 | 9 |
| 8¼ | 4½ | . | ... | Dom. Tar & Ch. | 2184 | 7¾ | 8 | 7¾ | 8 |
| 97 | 57 | . | ... | Do. pref. | 150 | 95 | 94 | 90 | 90 |
| 79 | 60 | 5 | 7.4 | Dom. Textile | 292 | 67 | 68 | 66 | 68 |
| 148 | 143 | 7 | 4.8 | Do. pref. | 15 | 144 | 145 | 145 | 145 |
| 9½ | 4¾ | . | ... | Donnacona P. A. | 2321 | 7¼ | 8¼ | 7 | 8 |
| 7½ | 2½ | . | ... | Do. (B) | 178 | 7 | 7½ | 7 | 7½ |
| 7 | 4¾ | . | ... | Dryden Paper | 425 | 5¾ | 6¼ | 5¾ | 6 |
| | | | | E | | | | | |
| 2¼ | 1 | . | ... | East. Koot. Pr. | .... | (— bid 2½ asked) | | | |
| 16 | 5 | . | ... | Do. pref. | .... | (7 bid 14 asked) | | | |
| 3¼ | 1½ | . | ... | East. Dairies | 20 | 1½ | 1½ | 1½ | 1½ |
| 18½ | 10 | . | ... | Do. pref. | .... | (9 bid — asked) | | | |
| 13¾ | 10 | . | ... | East. Steel | 200 | 13 | 13 | 13 | 13 |
| 101 | 80 | 7 | 6.9 | Do. pref. | 10 | 101 | 100 | 100 | 100 |
| 85 | 80 | 7 | 8.7 | East. Theat., pf. | .... | (72½ bid 85 asked) | | | |
| 3 | 1½ | . | ... | Easy Washing | 770 | 3 | 3 | 3 | 3 |
| 24 | 20 | 62½c | ... | Economic Inv. | 35 | 22 | 22 | 22 | 22 |
| 28½ | 19½ | 1.60+10c | ... | Electrolux | 680 | 23½ | 23½ | 23½ | 23½ |
| 3 | 1 | . | ... | Enam. & Heat. | 200 | 1½ | 2 | 2 | 2 |
| 24 | 10½ | . | ... | Eng. Electric | .... | (16½ bid 18 asked) | | | |
| 12½ | 4 | . | ... | Do. (B) | .... | (— bid 8 asked) | | | |
| 7 | 7 | . | ... | European El. A | .... | (5½ bid — asked) | | | |
| .35 | .35 | . | ... | Do. Warrants | .... | (.35 bid — asked) | | | |
| | | | | F | | | | | |
| 21¼ | 18 | . | ... | Fam. Players | .... | (18 bid 25 asked) | | | |
| 20 | 14 | . | ... | Do. Vot. Tr. | .... | (18 bid 23 asked) | | | |
| 17½ | 13¾ | 50c | 3.1 | Fanny Farmer | 2919 | 15 | 16 | 15 | 15¾ |
| 28½ | 18¾ | 75c | 3.6 | Ford Motors A. | 5641 | 19¾ | 20¾ | 19½ | 19¾ |
| 3.00 | .65 | . | ... | For. Pr. Secs. | 5 | .75 | .75 | .75 | .75 |
| 18¾ | 13 | . | ... | Foundation Co. | 580 | 16 | 16½ | 15¾ | 15¾ |
| 18½ | 9 | . | ... | Fraser Cos. | 618 | 15 | 17 | 15 | 16¾ |
| 19 | 8 | . | ... | Do. Vot. Tr. | 11827 | 13¾ | 16 | 13½ | 15½ |
| 60 | 55 | 6 | 10.5 | Freiman, pf. | .... | (— bid 57 asked) | | | |
| 8 | 2¾ | . | ... | Frost Steel | .... | (— bid 5 asked) | | | |
| 100 | 89 | 3.50 | ... | Do. pref. | .... | (85 bid 100 asked) | | | |
| | | | | G | | | | | |
| 5¼ | 3 | . | ... | Gen. St. Wares | 690 | 4 | 4 | 3¾ | 3¾ |
| 55 | 45 | . | ... | Do. pref. | 340 | 55 | 57 | 56 | 57 |
| 73 | 64¼ | 2.50 | 3.5 | Goodyear Tire | 210 | 69¾ | 70¾ | 68½ | 70¾ |
| 59 | 53½ | 2.50 | 4.3 | Do. pref. | 180 | 58½ | 58½ | 57¼ | 57¾ |
| 3 | 1 | . | ... | Gt. W. Saddlery | .... | (1¼ bid 1½ asked) | | | |
| 30 | 13 | . | ... | Do. pref. | 15 | 19 | 20 | 20 | 20 |
| 8½ | 5½ | . | ... | Gurd, Chas. | 120 | 6 | 6 | 5½ | 5½ |
| 100 | 100 | 7 | 7.3 | Do. pref. | .... | (— bid 95 asked) | | | |
| 8½ | 5½ | . | ... | Gypsum, Lime | 1415 | 7¾ | 8 | 7¾ | 7¾ |
| | | | | H | | | | | |
| 6¾ | 3½ | . | ... | Ham. Bridge | 210 | 5¾ | 5¾ | 5½ | 5¾ |
| 45 | 25½ | . | ... | Do. pref. | 90 | 40 | 45 | 40½ | 45 |
| 29½ | 25½ | 2 | 7 | Ham. Cot., pf. | .... | (28 bid 29½ asked) | | | |
| 2 | ¾ | . | ... | Ham. U. Theat. | 50 | 1 | 2 | 2 | 2 |
| 53 | 50 | 4 | 7.6 | Do. pref. | .... | (56 bid 57½ asked) | | | |
| 4 | 2¼ | 5c. | ... | Harding Carpet | .... | (3½ bid 3¾ asked) | | | |
| 9 | 1½ | . | ... | Hillcrest Coll. | .... | (2½ bid 10 asked) | | | |
| 16 | [illegible] | . | ... | Do. pref. | .... | (— bid 15 asked) | | | |
| 15¼ | 12 | 50c | 3.3 | Hinde & Dauch | 1380 | 13 | 14¾ | 13½ | 14¾ |
| 7 | 6 | . | ... | Holt Renfrew | .... | (4 bid — asked) | | | |
| 40 | 30 | . | ... | Do. pref. | 25 | 40 | 40 | 40 | 40 |
| .70 | .40 | . | ... | Honey Dew | 100 | .50 | .50 | .50 | .50 |
| 12 | 7 | . | ... | Do. pref. | .... | (10 bid 11½ asked) | | | |
| 14¾ | 9½ | . | ... | H. Smith Pap. | 1190 | 13 | 13¾ | 13 | 13 |
| 119 | 88 | 1.50 | ... | Do. pref. | 394 | 93 | 92 | 92 | 92 |
| 35 | 29 | 2 | 6.8 | Humberstone S. | 65 | 30 | 30 | 29 | 29 |
| 12 | 4½ | . | ... | Hunts (A) | 127 | 7 | 12 | 6¼ | 11 |
| 12 | 6 | . | ... | Do. (B) | 34 | 6 | 12 | 8 | 12 |
| 90 | 70 | 5 | 6.5 | Huron & E. Mt. | 5 | 76 | 76 | 76 | 76½ |
| 12¾ | 9 | . | ... | Do. 20% pd. | 45 | 9¼ | 9½ | 9 | 9½ |
| 10¼ | 6½ | . | ... | Hydro Electric | .... | (7 bid — asked) | | | |
| | | | | I | | | | | |
| 221 | 197½ | 10 | 5 | Imperial Bank | 234 | 198 | 199 | 198 | 198 |
| 24½ | 20¼ | 50+75c | 6 | Imperial Oil | 13598 | 20¾ | 21 | 20¾ | 20¾ |
| 14½ | 13¼ | 52½c | 3.7 | Imperial Tob. | 2737 | 14 | 14 | 13¾ | 14 |
| 7¼ | 7 | 6% | ... | Do. pref. | .... | (7¾ bid — asked) | | | |
| 31¼ | 19 | 1 | ... | Inter. City Bak. | 10 | 31 | 31¼ | 31¼ | 31¼ |
| 48 | 40 | 4.50 | ... | Inter'c Coal | .... | (— bid 49½ asked) | | | |
| 115 | 115 | 8 | 6.9 | Do. pref. | .... | (115 bid — asked) | | | |
| b5¼ | 2¾ | . | ... | Int. Hyd. E. A. | 5702 | 4 | 4 | 3½ | 3½ |
| 7¼ | 4 | . | ... | Int. Metal Ind. | 20 | 7 | 6¾ | 6½ | 6½ |
| 51 | 30 | . | ... | Do. pref. | 55 | 50 | 51 | 50 | 51 |
| 105¾ | 101 | 5 | 4.9 | Inter. Mill., pf. | 30 | 102¾ | 102 | 102 | 102 |
| 54 | 43¼ | 1.40 | 2.7 | Inter. Nickel | 14364 | 51½ | 51¾ | 50¾ | 51 |
| 6 | 2¾ | . | ... | Inter. Paints | 300 | 3¼ | 3¼ | 3 | 3 |
| 29½ | 14¾ | 1.12½▲ | ... | Do. pref. | 140 | 15 | 14¾ | 14¾ | 14¾ |
| b7¾ | 3¾ | . | ... | Int. Pa. & P. A. | 5310 | 6½ | 6¾ | 6 | 6½ |
| b4 | 2¼ | . | ... | Do. (B) | 1400 | 3¼ | 3¼ | 3 | 3¼ |
| b3¼ | 1¾ | . | ... | Do. (C) | 7505 | 2 | 2¾ | 1¾ | 2¼ |
| b45 | 20½ | . | ... | Do. pref. | 49964 | 40½ | 45 | 39¼ | 43¼ |
| 39¾ | 33½ | 1.50+1 | 7.3 | Inter. Pete. | 19841 | 36 | 36 | 33¼ | 33¾ |
| 6 | 3 | . | ... | Inter. Power | .... | (3¼ bid 5 asked) | | | |
| 94 | 57 | 6 | 6.4 | Do. pref. | 35 | 93 | 93 | 93 | 93 |
| 15¼ | 13 | . | ... | Int. St. Rly. A. | .... | (— bid 13 asked) | | | |
| 14¼ | 3½ | . | ... | Int. Util. (A) | 100 | 9¼ | 10½ | 10 | 10¼ |
| 2.25 | .40 | . | ... | Do. (B) | 430 | 1.25 | 1.25 | 1.15 | 1.15 |
| | | | | J | | | | | |
| 36 | 33 | 1.50 | 4.1 | Jam. Pub. Ser. | 10 | 35¾ | 36 | 36 | 36 |
| 127 | 123¼ | 7 | 5.5 | Do. pref. | .... | (127 bid — asked) | | | |
| | | | | K | | | | | |
| 12 | 6¾ | . | ... | Kelvinator | 1120 | 11½ | 12 | 11¼ | 11¼ |
| 107 | 105½ | 7 | 6.6 | Do. pref. | .... | (105½ bid — asked) | | | |
| | | | | L | | | | | |
| 26 | 16½ | . | ... | Lake of Woods. | 620 | 25 | 25 | 23¾ | 24 |
| 147 | 123 | 1.75 | ... | Do. pref. | .... | (149 bid — asked) | | | |
| 58 | 54 | 5 | 9.2 | Landed Bank | .... | (55 bid 82 asked) | | | |
| 4 | 3 | . | ... | Langley's | .... | (4 June 25) | | | |
| 50 | 35 | . | ... | Do. pref. | .... | (51 bid 60 asked) | | | |
| 70 | 64¾ | 3 | 4.4 | Laura Secord | 75 | 69½ | 68½ | 68 | 68 |
| 4 | 2 | . | ... | Lindsay, C. W. | 90 | 4 | 3½ | 3¼ | 3½ |
| 55 | 40 | . | ... | Do. pref. | .... | (55 bid — asked) | | | |
| 21¼ | 18¾ | 1 | 4.7 | Loblaw (A) | 1110 | 20¾ | 21¼ | 20¾ | 21¼ |
| 19 | 17½ | 1 | 5.4 | Do. (B) | 586 | 18¾ | 18¾ | 18¾ | 18¾ |
| | | | | M | | | | | |
| 4 | 4 | . | ... | Manitoba Pr. | .... | (1¾ bid 3 asked) | | | |
| .50 | .50 | . | ... | M. L. Gardens | .... | (.50 bid 1.50 asked) | | | |
| 4 | 2½ | . | ... | Do. pref. | .... | (2¼ bid 4 asked) | | | |
| 2.25 | 1.00 | . | ... | Maple Leaf | 665 | 1.75 | 1.60 | 1.45 | 1.60 |
| 5¼ | 2 | . | ... | Do. pref. | 101 | 3¼ | 3½ | 3½ | 3¾ |
| *12¾ | 12 | 60c | ... | Maritime Tel. | .... | (13¾ bid — asked) | | | |
| 15 | 15 | 70c | 4.7 | Do. pref. | .... | (14¾ bid — asked) | | | |
| 18 | 18 | . | ... | Marcus Loew's | .... | (14¼ bid 18 asked) | | | |
| 116 | 111 | 7 | ... | Do. pref. | .... | (116 bid 119 asked) | | | |
| 7¼ | 4¾ | . | ... | Massey-Harris | 4374 | 4¾ | 4¾ | 4½ | 4½ |
| 40 | 29½ | . | ... | Do. pref. | 983 | 31 | 34¾ | 31 | 34¾ |
| 17¾ | 12¼ | 80c | 5.3 | McColl Fron. | 2077 | 14¾ | 15 | 14¼ | 14¼ |
| 105 | 96½ | 6 | 5.8 | Do. pref. | 67 | 102 | 102½ | 102¼ | 102½ |
| 13¾ | 9 | . | ... | Melchers (A) | 270 | 10¼ | 10½ | 10 | 10 |
| 6 | | . | ... | Do. (B) | 155 | 3¼ | 3½ | 3 | 3 |
| 57 | 30 | 1 | ... | Mitchell, J. S. | .... | (10 bid — asked) | | | |
| 13¾ | 9 | . | ... | Mercury Mills, p | 4 | 36 | 37 | 37 | 37 |
| 110 | 110 | 7 | 6.3 | Do. pref. | .... | (110 bid — asked) | | | |
| 8 | 5¼ | . | ... | Mitchell, Robt. | 55 | 6¼ | 7 | 6¼ | 6¼ |
| | | | | Monarch, Knit. | .... | (3¾ bid — asked) | | | |
| 90 | 85 | 7 | 7.3 | Do. pref. | .... | (80 bid 86 asked) | | | |
| 35 | 26 | . | ... | Montreal Cot. | .... | (35 bid 40 asked) | | | |
| 100 | 85 | 7 | 8.1 | Do. pref. | 90 | 95 | 95 | 95 | 95 |
| | | | | Mont. Is. Pr. | .... | (2 bid 4 asked) | | | |
| 34 | 30 | 1.50 | 4.6 | Mont. L. & Pr. | 7863 | 31 | 32¼ | 30¾ | 32 |
| 26 | 26 | 2 | 7.6 | Montreal Loan | .... | (26 bid 36 asked) | | | |
| 9 | 9 | . | ... | Mtl. Ref. & S.P. | .... | (2 bid — asked) | | | |
| 2 | 2 | . | ... | Do. Vot. Tr. | .... | (9 bid — asked) | | | |
| 60 | 55½ | 3.20 | 5.7 | Montreal Tele. | .... | (57 bid 58 asked) | | | |
| 103 | 85 | 9 | 9.6 | Montreal Trams | 27 | 93 | 93 | 93 | 93 |
| 39½ | 27¾ | 1 | 2.6 | Moore Corp. | 246 | 38 | 38¾ | 37¾ | 38 |
| 175 | 146 | 7 | 4 | Do. pref. (A) | .... | (176 bid 180 asked) | | | |
| 230 | 175 | 7 | 3 | Do. pref. (B) | .... | (216 bid — asked) | | | |
| 1.00 | .25 | . | ... | Muirheads | 100 | .40 | .40 | .40 | .40 |
| 3¼ | 3 | . | ... | Do. pref. | .... | (4 bid 6¼ asked) | | | |
| | | | | N | | | | | |
| 45 | 37 | 2 | 4.4 | Nat. Breweries | 1469 | 44¼ | 44¾ | 44 | 44 |
| 45 | 39¾ | 1.75 | 3.8 | Do. pref. | 59 | 45 | 43¾ | 43 | 43¾ |
| 7¾ | 5 | . | ... | Nat. Grocers | 210 | 5¼ | 6 | 5¾ | 6 |
| 136 | 130 | 7 | 5.1 | Do. pref. | .... | (134 bid 138 asked) | | | |
| 20 | 16¾ | . | ... | N. Sew. Pipe A. | .... | (16¾ bid 17¼ asked) | | | |
| 17¾ | | . | ... | Nat. Steel Car. | 535 | 16¼ | 15¼ | 15¼ | 16¼ |
| 210 | 196 | 8 | 3.8 | National Tr. | .... | (203 bid 214 asked) | | | |
| 31¼ | 29 | . | ... | Niag. W Weav n | 362 | 29 | 31¼ | 30 | 31¼ |
| 61 | 56 | 3 | 4.9 | Do. pref. | 10 | 60 | 61 | 61 | 61 |
| 1.75 | .90 | . | ... | North Star Oil. | .... | (1.25 bid 1.75 asked) | | | |
| 4.10 | 3.15 | 8¾c▲ | ... | Do. pref. | 325 | 3.50 | 3.90 | 3.50 | 3.75 |
| 84¼ | 61 | 3 | 3.6 | N. S. L. & Pr. | .... | (84 bid — asked) | | | |
| 102¼ | 100¾ | 6 | 5.9 | Do. pref. | .... | (101¾ bid — asked) | | | |
| | | | | O | | | | | |
| 240 | 199½ | 8 | 3.6 | Ogilvie Flour | 37 | 220 | 220 | 220 | 220 |
| 165 | 152 | 7 | 4.2 | Do. pref. | .... | (161 bid — asked) | | | |
| 10 | 5¾ | . | ... | Ont. Eq. 10% pd. | 6 | 6 | 6¼ | 6¼ | 6¼ |
| 119 | 109 | 6 | 5.2 | Ontario Loan | .... | (115½ bid — asked) | | | |
| 14½ | 7 | . | ... | Ont. Silknit | .... | (7 bid 9¾ asked) | | | |
| 90 | 75 | 7 | 9 | Do. pref. | 10 | 75 | 77 | 77 | 77 |
| 10 | 6 | . | ... | Ont. Steel | 150 | 6 | 10 | 10 | 10 |
| 95 | 74 | . | ... | Do. pref. | 65 | 95 | 95 | 95 | 95 |
| .40 | .25 | . | ... | Orange Crush | 490 | .35 | .30 | .30 | .30 |
| 26 | 6 | . | ... | Do. 1st pref. | 5 | 26 | 20 | 20 | 20 |
| 1.35 | .40 | . | ... | Do. 2nd pref. | 100 | .75 | .90 | .90 | .90 |
| 100 | 88 | 6 | 6 | Ott. L. H. & Pr. | 130 | 99 | 100 | 99 | 100 |
| 110 | 101½ | 6.50 | 6.1 | Do. pref. | 30 | 105 | 106 | 105 | 105½ |
| 21 | 15 | 2 | 11.1 | Ott. Traction | 10 | 18 | 18 | 18 | 18 |
| | | | | P | | | | | |
| 95 | 78¼ | 3 | 3.3 | Page Hersey | 254 | 88 | 89¼ | 88¼ | 88¼ |
| 6¾ | 3¼ | . | ... | Pantepec Oil | 2260 | 5¾ | 5¾ | 4¾ | 5¼ |
| 25 | 18 | . | ... | Paton Mfg. | .... | (— bid 25 asked) | | | |
| 100 | 100 | 7 | 7 | Do. pref. | .... | (100 bid — asked) | | | |
| 57 | 48 | 3 | 5.6 | Penmans | .... | (54 bid 56 asked) | | | |
| 125 | 116 | 6 | 4.8 | Do. pref. | 40 | 125 | 123 | 123 | 123 |
| 27 | 21¼ | 1 | 4.4 | Photo Eng. | 90 | 22¼ | 22¼ | 22¼ | 22¼ |
| 97 | 83¼ | 7 | 7.4 | Porto Rico Pr. p | 5 | 85 | 94 | 94 | 94 |
| 18¾ | 11¾ | . | ... | Power Corp. | 6065 | 14 | 16¾ | 13¾ | 16 |
| 101 | 97¼ | 6 | 6 | Do. pref. | 184 | 98 | 100 | 75 | 75 |
| 2¼ | 1¼ | . | ... | Prairie C. Oil. | .... | (1 bid 1¼ asked) | | | |
| 29¼ | 19 | 87½c | ... | Pressed Metals. | 993 | 27½ | 29 | 27¾ | 28¾ |
| 90 | 85 | . | ... | Do. Rights | 189 | .. | 90 | 85 | 90 |
| 6¼ | 2¾ | . | ... | Price Bros. | 730 | 4¾ | 4¾ | 4½ | 4¾ |
| 49 | 22 | . | ... | Do. pref. | 740 | 48¼ | 48 | 45 | 46 |
| | | | | Q | | | | | |
| 18¼ | 14 | 1 | 5.4 | Quebec Power | 1950 | 17 | 18¼ | 17 | 18¼ |
| | | | | R | | | | | |
| *58 | 40 | 2 | ... | Real Estate L'n. | .... | (— bid 40 asked) | | | |
| 6¼ | 4½ | . | ... | Regent Knit. | 455 | 5¼ | 6¼ | 6 | 6¼ |
| 18¼ | 12¼ | . | ... | Do. pref. | 5 | 18 | 18 | 18 | 18 |
| 10 | 6 | . | ... | Reliance Grain. | .... | (4½ bid 6 asked) | | | |
| 21¼ | 19¼ | . | ... | Remington R'd | .... | (20¼ July 21) | | | |
| 31 | 29 | 2 | 6.6 | River. S. Mills. | 10 | 29¼ | 29¼ | 29¼ | 29¼ |
| 6¼ | 4 | . | ... | Rogers Majest. | 588 | 5 | 6 | 5¼ | 6 |
| 104 | 95¼ | 6 | 6 | Rolland P. pf. | 25 | 100¼ | 101¼ | 101 | 101 |
| 182 | 164 | 8 | 4.6 | Royal Bank | 173 | 172¼ | 175 | 171 | 174 |
| 46 | 30 | . | ... | Russell Motor | 25 | 35 | 46 | 46 | 46 |
| 116 | 100 | 7+1▲ | 6.1 | Do. pref. | 5 | 112¼ | 113¼ | 113¼ | 113¼ |
| | | | | S | | | | | |
| 11 | 6 | . | ... | Sarnia Br. (A) | 25 | 7 | 8 | 8 | 8 |
| 3 | 1½ | . | ... | Do. (B) | 50 | 2 | 1½ | 1½ | 1½ |
| 23¼ | 18¾ | 60c | 2.9 | Shawinigan | 3688 | 19¾ | 20¾ | 19¾ | 20¾ |
| 20 | 16 | . | ... | Sher. Wms. | 1302 | 18 | 18¼ | 18 | 18 |
| 127¼ | 115 | 7 | 6 | Do. pref. | .... | (115 bid 112 asked) | | | |
| 12 | 9¾ | . | ... | Simon & Son | .... | (— bid 111¼ asked) | | | |
| 93 | 85 | 7▲ | ... | Do. pref. | .... | (— bid 95 asked) | | | |
| 80 | 72 | 4 | 5.5 | Simpson, Ltd. | 10 | 72¼ | 72¼ | 72 | 72¼ |
| 12 | 10¼ | . | ... | Do. (A) | .... | (— bid 10 asked) | | | |
| 9 | 4 | . | ... | Do. (B) | 13 | 7 | 7 | 7 | 7 |
| 117¼ | 111¼ | 6 | 5.2 | Simpson, R., pf. | 35 | 115 | 117 | 115 | 115 |
| 14 | 11 | 80c | 6.1 | So. Can. Pr. | 380 | 12 | 13 | 11¼ | 11¼ |
| 103 | 98 | 6 | 5.8 | Do. pref. | 41 | 101 | 103 | 102 | 102 |
| 3.12 | 1.50 | . | ... | St. Law. Corp. | 6505 | 2.87 | 3.12 | 2.75 | 3.00 |
| 14¼ | 8 | . | ... | Do. (A) | 5615 | 13¼ | 14¼ | 13¼ | 14¼ |
| 51 | 40 | 2 | 3.9 | St. Law. Flour. | .... | (50¼ bid 58 asked) | | | |
| 130 | 120 | 7 | 5.4 | Do. pref. | .... | (121 bid — asked) | | | |
| 40¼ | 20¼ | . | ... | St. Law. Pap. p. | 2141 | 37¾ | 40¼ | 36 | 39¼ |
| 10 | 6¾ | . | ... | Stand. Chem. | 105 | 8 | 9¾ | 8¼ | 9 |
| 2 | 2 | . | ... | Stand. Clay | .... | (2 Mar. 28) | | | |
| 4.25 | 1.15 | . | ... | St. Pav. & Mat. | 6113 | 2.35 | 4.25 | 2.37 | 4.25 |
| 27 | 12 | . | ... | Do. pref. | 113 | 20 | 27 | 22 | 27 |
| 41 | 20 | . | ... | Stand. Steel, pf. | 150 | 39 | 41 | 38 | 38 |
| 67¼ | 57 | 1.75‡ | 2.6 | Steel of Can. | 811 | 66¼ | 67 | 66¼ | 67 |
| 61 | 49¼ | 1.75 | 2.8 | Do. pref. | 489 | 60¼ | 61 | 60¼ | 61 |
| 4 | 3 | . | ... | Sterling Coal | .... | (3 bid 4 asked) | | | |
| 2¼ | ¼ | . | ... | Stop & Shop | 895 | 1 | 1 | 1 | 1 |
| 3¼ | 2 | . | ... | Supersilk H. | .... | (2¾ bid 3¼ asked) | | | |
| 72 | 66 | 3.50 | ... | Do. pref. | 15 | 70 | 68 | 66 | 68 |
| 38 | 30 | 1 | 2.7 | Sup. Pete. ord. | 70 | 35¼ | 35¾ | 35 | 35 |
| 35 | 32 | 1 | 3 | Do. com. | .... | (34 bid 40 asked) | | | |
| | | | | T | | | | | |
| 40 | 32¾ | . | ... | Tamblyn | 75 | 38 | 38¼ | 38¼ | 38¼ |
| 114 | 110 | 7 | 6.2 | Do. pref. | 5 | 112 | 112¼ | 112¼ | 112¼ |
| 5 | 1½ | . | ... | Thayers | .... | (1 bid 2 asked) | | | |
| 37 | 20 | . | ... | Do. pref. | 10 | 20 | 20 | 20 | 20 |
| 3 | 1½ | . | ... | Thrift Stores | .... | (1½ bid 2 asked) | | | |
| 14 | 5 | . | ... | Do. pref. | 350 | 12 | 14 | 12 | 14 |
| 11 | 8¼ | 25c | ... | Tip Top Tailors | 30 | 8¼ | 9 | 9 | 9 |
| 106 | 102 | 7 | 6.6 | Do. pref. | 35 | 105 | 105¼ | 105¼ | 105¼ |
| 1 | 1 | . | ... | Tooke Bros. | .... | (1 bid 3 asked) | | | |
| 22 | 10¼ | . | ... | Do. pref. | .... | (12¼ bid — asked) | | | |
| 40 | 34 | 1 | 2.7 | Tor. Elevators | .... | (— bid 35 asked) | | | |
| 119 | 109 | 7 | 6.1 | Do. pref. | 25 | 112 | 114 | 113¼ | 113¼ |
| 95 | 83¼ | 4 | 4.7 | Tor. Gen. Tr. | 5 | 83¼ | 84 | 84 | 84 |
| 120 | 115 | 6 | 5 | Toronto Mtge. | .... | (121¼ bid — asked) | | | |
| 155 | 150 | 7 | 4.6 | Tuckett Tob. pf. | .... | (155 bid — asked) | | | |
| 14 | 8 | . | ... | Twin City | 140 | 12 | 14 | 10 | 14 |
| | | | | U | | | | | |
| 14¾ | 9 | 10c | ... | Union Gas | 1893 | 14¼ | 14¼ | 14 | 14 |
| 25 | 15 | 80c | ... | Un. Amuse. (A) | .... | (18 bid — asked) | | | |
| .95 | .50 | . | ... | United Distil. | .... | (.50 bid .80 asked) | | | |
| 34 | 20 | . | ... | United Fuel | 1069 | 32 | 34 | 30 | 32 |
| 25¼ | 20 | 2 | 7 | United Secs. | .... | (28 bid — asked) | | | |
| 4¾ | 2¼ | . | ... | United Steel | 18985 | 3¼ | 4 | 3¼ | 3¼ |
| | | | | V | | | | | |
| 3¼ | 1½ | . | ... | Viau Biscuit | 10 | 1½ | 1¾ | 1½ | 1½ |
| 39 | 18 | . | ... | Do. pref. | 35 | 35 | 39 | 37 | 37 |
| | | | | W | | | | | |
| 31¼ | 20 | . | ... | Wabasso Cot. | 735 | 25 | 25 | 25 | 25 |
| 34¾ | 26¼ | 2 | 6 | Walker-Good. | 1295 | 33¾ | 33¼ | 32 | 33 |
| 19 | 17 | 1 | 5.4 | Do. pref. | 708 | 18 | 18¼ | 18¼ | 18 |
| 3¼ | 2 | . | ... | Walkerville Br. | 920 | 2¼ | 2¼ | 2 | 2¼ |
| 2.25 | 1.00 | . | ... | Waterloo Mfg. | 10 | 1.10 | 1.00 | 1.00 | 1.00 |
| 10 | 4½ | . | ... | West. C. Flour | 10 | 5¼ | 5¼ | 5¼ | 5¼ |
| 65 | 36 | . | ... | Do. pref. | 127 | 45 | 48 | 46 | 46 |
| 52 | 46¼ | 2 | 4 | West. Grocers | 5 | 50 | 50 | 50 | 50 |
| 110¾ | 106 | 7 | 6.3 | Do. pref. | .... | (110 bid — asked) | | | |
| 17¼ | 13¼ | 80c | 4.5 | Weston Ltd. | 7240 | 16¼ | 17¼ | 16¼ | 17¼ |
| 102 | 98 | 5 | 4.9 | Do. pref. | 85 | 100¾ | 102 | 101 | 101 |
| 1.15 | 1.15 | . | ... | Windsor Hotel | .... | (— bid 1.15 asked) | | | |
| 4¼ | 4 | . | ... | Do. pref. | .... | (5 bid 8 asked) | | | |
| 4¼ | 2¾ | . | ... | Winnipeg Elec. | 335 | 2¾ | 3 | 2¾ | 2¾ |
| 18 | 10 | . | ... | Do. pref. | 65 | 10 | 11 | 10¼ | 11 |
| 53 | 38 | . | ... | Wood, A. & J. p | .... | (— bid 50 asked) | | | |
| 67¼ | 50 | . | ... | Woods Mfg., pf. | .... | (64 bid 70 asked) | | | |
| | | | | Z | | | | | |
| 4 | 2¼ | . | ... | Zimmerknit, c. | 10 | 4 | 3½ | 3½ | 3½ |
| 69 | 60 | 3.50▲ | ... | Do. pref. | .... | (70 bid 85 asked) | | | |

* Quotations for 1935. No sales recorded in 1936 to date.
▲ On account of arrears.
b New York quotations.
‡ Plus extra of $1.42½ paid Feb. 1, 1936.

## Government Bonds

(Furnished by Toronto Bond Traders' Assoc.)
Dominion of Canada Bonds
August 5, 1936

| | Rate | Due | Bid Aug. 5 | Asked Aug. 5 | Approx. Yield | Bid July 29 |
|---|---|---|---|---|---|---|
| †‡Dominion | 5 | 1 Mar. 1937 | 102.40 | 102.90 | ... | 102.60 |
| ‡Dominion | 5½ | 1 Dec. 1937 | 106.35 | 106.80 | ... | 106.40 |
| Dominion | 2½ | 15 Oct. 1939 | 103.65 | 104.15 | 1.20 | 103.65 |
| Dominion | 4 | 15 Oct. 1939 | 108.25 | 108.75 | 1.25 | 108.25 |
| Dominion | 2 | 15 Nov. 1939 | 102.35 | 102.85 | 1.13 | 102.35 |
| Dominion | 1½ | 1 June 1940 | 100.65 | 101.15 | 1.19 | 100.50 |
| Dominion | 4½ | 1 Sept. 1940 | 110.85 | 111.35 | 1.64 | 110.85 |
| Dominion | 5 | 15 Nov. 1941 | 115.15 | 115.65 | 1.78 | 114.85 |
| Dominion | 3 | 15 Oct. 1942 | 106.00 | 106.50 | 1.86 | 105.85 |
| Dominion | 2½ | 1 June 1943 | 103.35 | 103.85 | 1.90 | 103.50 |
| Dominion | 5 | 15 Oct. 1943 | 116.15 | 116.65 | 2.47 | 115.85 |
| Dominion | 4½ | 15 Oct. 1944 | 114.25 | 114.75 | 2.51 | 114.25 |
| ▪Dominion | 2½ | 15 Aug. '43-45 | 99.85 | 100.35 | 2.44▲ | 99.65 |
| Dominion | 4 | 15 Oct. '43-45 | 110.25 | 110.75 | 2.38▲ | 110.25 |
| Dominion | 4½ | 1 Feb. 1946 | 114.25 | 114.75 | 2.73 | 114.25 |
| Dominion | 3½ | 15 Oct. '44-49 | 106.25 | 106.75 | 2.58▲ | 106.00 |
| Dominion | 4 | 15 Oct. '47-52 | 109.25 | 109.75 | 2.99▲ | 109.25 |
| Dominion | 3 | 1 June '50-55 | 101.75 | 102.25 | 2.81▲ | 101.25 |
| Dominion | 4½ | 1 Nov. '46-56 | 112.35 | 112.85 | 3.06▲ | 112.35 |
| Dominion | 4½ | 1 Nov. '47-57 | 112.35 | 112.85 | 3.16▲ | 112.35 |
| Dominion | 4½ | 1 Nov. '48-58 | 113.00 | 113.50 | 3.18▲ | 112.65 |
| Dominion | 4½ | 1 Nov. '49-59 | 113.25 | 113.75 | 3.23▲ | 112.90 |
| Dominion | 3¼ | 15 Jan. '56-61 | 102.00 | 102.50 | 3.09▲ | 101.65 |
| ▪Dominion | 3¼ | 1 June '56-66 | 102.75 | 103.25 | 3.03▲ | 102.00 |
| **Dominion Guaranteed Bonds** | | | | | | |
| *G. T. P. Ry. | 3 | 1 Jan. 1962 | 101.50 | 102.50 | 2.86 | 101.50 |
| Can. N. Ry. | 3 | 1 May 1944 | 104.50 | 105.50 | 2.23 | 104.50 |
| Can. N. Ry. | 3 | 15 Dec. '45-50 | 101.25 | 102.25 | 2.72▲ | 101.00 |
| Can. N. Ry. | 3 | 15 Feb. '48-53 | 101.00 | 102.00 | 2.79▲ | 100.50 |
| *Can. N. Ry. | 4½ | 1 Sept. 1951 | 115.50 | 116.50 | 3.15 | 115.50 |
| *Can. N. Ry. | 4½ | 1 Feb. 1956 | 116.00 | 117.00 | 3.32 | 115.75 |
| †Can. N. Ry. | 4½ | 1 July 1957 | 114.25 | 115.25 | 3.47 | 114.00 |
| *Can. N. Ry. | 4¾ | 15 June 1955 | 118.00 | 119.00 | 3.38 | 117.75 |
| Can. N. Ry. | 5 | 1 Feb. 1954 | 118.50 | 119.50 | 3.53 | 118.25 |
| *Can. N. Ry. | 5 | 1 July 1969 | 118.25 | 119.25 | 2.84▲ | 118.00 |
| *Can. N. Ry. | 5 | 1 Oct. 1969 | 120.00 | 121.00 | 3.35▲ | 119.75 |
| *M. Harb. C. | 5 | 1 Nov. 1969 | 120.25 | 121.25 | 3.33▲ | 120.00 |
| **Provincial Government Bonds** | | | | | | |
| Eastern— | | | | | | |
| N. Bruns. | 4 | 1 Sept. 1954 | 104.50 | 105.50 | 3.59 | 104.50 |
| †N. Bruns. | 4½ | 15 Apr. 1961 | 110.25 | 111.25 | 3.80 | 110.25 |
| †N. Bruns. | 5 | 15 Jan. 1960 | 115.50 | 116.50 | 3.92 | 115.50 |
| N. Scotia | 3 | 2 Sept. 1945 | 99.75 | 100.75 | 2.91 | 99.75 |
| N. Scotia | 4½ | 15 May 1943 | 109.00 | 111.00 | 2.73 | 109.50 |
| †N. Scotia | 4½ | 15 Sept. '47-52 | 110.50 | 111.50 | 3.29▲ | 110.25 |
| †N. Scotia | 5 | 1 Mar. 1960 | 117.75 | 118.75 | 3.80 | 117.75 |
| *Ontario | 4 | 1 June 1962 | 107.50 | 109.00 | 3.47 | 107.00 |
| *Ontario | 4½ | 1 Sept. 1944 | 112.00 | 113.00 | 2.70 | 112.00 |
| Ontario | 4½ | 1 June 1950 | 112.00 | 113.00 | 3.33 | 111.75 |
| *Ontario | 4½ | 15 Jan. 1962 | 114.00 | 115.50 | 3.58 | 114.00 |
| Ontario | 5 | 15 Oct. 1948 | 115.00 | 116.00 | 3.42 | 115.50 |
| *Ontario | 5 | 2 Dec. 1960 | 121.50 | 123.00 | 3.58 | 121.50 |
| Ontario | 5½ | 1 July 1946 | 117.00 | 118.00 | 3.35 | 116.75 |
| O. H. C. | 3½-4-5 | 1 Oct. '36-52 | 101.50 | 102.50 | 4.25● | 101.50 |
| Ont. Hyd. C. | 4¾ | 1 Jan. 1970 | 116.50 | 118.00 | 3.80 | 116.00 |
| P. E. I. | 3 | 1 Oct. 1945 | 99.50 | 100.50 | 2.94 | 99.50 |
| Quebec | 4 | 15 Mar. 1952 | 107.50° | 108.50 | 3.31 | 107.50 |
| Quebec | 4¼ | 1 Aug. 1958 | 110.75 | 111.75 | 3.48 | 110.50 |
| Quebec | 4½ | 2 Jan. 1963 | 112.50 | 113.50 | 3.70 | 112.25 |
| Western— | | | | | | |
| Alberta | 4 | 15 Dec. '49-54 | 62.00 | 66.00 | § | 62.00 |
| †Alberta | 4 | 1 Dec. 1957 | 62.00 | 66.00 | § | 62.00 |
| Alberta | 4½ | 1 Oct. 1951 | 70.00 | 75.00 | § | 70.00 |
| †Alberta | 4½ | 1 Oct. 1956 | 64.00 | 67.00 | § | 64.00 |
| †Alberta | 5 | 1 Jan. 1948 | 64.00 | 68.00 | § | 64.00 |
| Alberta | 5 | 1 Sept. 1955 | 64.00 | 68.00 | § | 64.00 |
| *Alberta | 5 | 1 Oct. 1959 | 64.00 | 68.00 | § | 64.00 |
| †Alberta | 5½ | 1 Jan. 1947 | 67.00 | 70.00 | § | 67.00 |
| Alberta | 6 | 1 Mar. 1947 | 69.00 | 72.00 | § | 69.00 |
| †Brit. Col. | 4 | 1 Dec. 1957 | 84.00 | 87.00 | 4.99 | 84.00 |
| *Brit. Col. | 4½ | 15 Jan. 1951 | 88.00 | 92.00 | 5.28 | 90.00 |
| †Brit. Col. | 4½ | 1 Oct. 1953 | 88.00 | 91.00 | 5.29 | 89.00 |
| †Brit. Col. | 5 | 15 Jan. 1948 | 92.50 | 94.00 | 5.72 | 93.00 |
| Brit. Col. | 5 | 1 Sept. 1953 | 92.00 | 94.00 | 5.54 | 92.00 |
| Brit. Col. | 5½ | 1 Feb. 1945 | 94.50 | 96.00 | 6.11 | 94.00 |
| Brit. Col. | 6 | 15 Feb. 1947 | 98.00 | 99.50 | 6.06 | 97.00 |
| Manitoba | 4 | 2 Jan. 1950 | 93.00 | 95.00 | 4.47 | 92.00 |
| †Manitoba | 4 | 1 Dec. 1957 | 93.00 | 95.00 | 4.36 | 92.50 |
| †Manitoba | 4½ | 15 Dec. 1956 | 97.00 | 98.50 | 4.62 | 97.50 |
| †Manitoba | 5 | 15 June 1954 | 101.00 | 103.00 | 4.75 | 101.00 |
| *Manitoba | 5 | 2 Dec. 1959 | 104.00 | 107.00 | 4.53 | 104.00 |
| Manitoba | 5½ | 1 Oct. 1955 | 100.50 | 102.00 | 5.33 | 100.50 |
| Manitoba | 6 | 1 Apr. 1947 | 101.50 | 103.00 | 5.63 | 102.00 |
| Sask. | 4 | 15 Aug. 1953 | 77.00 | 80.00 | 5.84 | 77.00 |
| Sask. | 4 | 1 Nov. '55-60 | 77.00 | 79.00 | 5.82 | 77.00 |
| *Sask. | 4½ | 2 July 1945 | 88.00 | 92.00 | 5.65 | 88.00 |
| †Sask. | 4½ | 1 Oct. 1951 | 87.00 | 89.00 | 5.57 | 87.00 |
| †Sask. | 4½ | 15 Mar. 1960 | 84.00 | 86.00 | 5.56 | 84.00 |
| Sask. | 5 | 1 Aug. 1958 | 87.00 | 89.00 | 5.90 | 86.00 |
| †Sask. | 5½ | 15 Nov. 1946 | 91.00 | 93.00 | 6.42 | 91.00 |
| Sask. | 5½ | 1 Oct. 1952 | 89.00 | 91.00 | 6.39 | 89.00 |
| Sask. | 6 | 15 Mar. 1952 | 93.00 | 95.00 | 6.50 | 93.00 |
| **Municipal Bonds** | | | | | | |
| †Halifax | 5 | 1 July 1961 | 113.50 | 115.00 | 4.04 | 113.50 |
| Hamilton | 5 | 1 May 1950 | 109.75 | 111.75 | 3.90 | 109.75 |
| Montreal | 5 | 1 Mar. 1945 | 101.00 | 102.50 | 4.69 | 101.00 |
| Ottawa | 4½ | 1 July 1945 | 111.00 | 113.00 | 2.85 | 110.50 |
| †Quebec | 5 | 1 June 1959 | 106.00 | 108.00 | 4.44 | 106.00 |
| Saint John | 5 | 15 Dec. 1950 | 108.00 | 109.50 | 4.13 | 108.00 |
| †Toronto | 4½ | 1 Jan. 1955 | 113.00 | 115.50 | 3.37 | 113.00 |
| Winnipeg | 5 | 1 Mar. 1944 | 100.00 | 103.00 | 4.53 | 100.00 |

*Payable Can., N.Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N.Y. ●Calculated to maturity although callable prior to that date. ‡Exempt from Dominion income tax. §Traded flat. ▪Payable in N.Y.

## Corporation Bonds

CORPORATION BONDS
Supplied by Toronto Bond Traders' Association
August 4, 1936

| Public Utility Issues: | Int. Rate % | Due | Bid Aug. 4 | Asked | Bid July 28 |
|---|---|---|---|---|---|
| *Ass. Tel. & Tel. | 5½ | '55 | 87 | 90 | 97½ |
| ‡Avalon 'Phone. | 5½ | '48 | 101 | .. | 101 |
| Beauharnois P. | 5 | '73 | 38 | 41 | 38 |
| Do. L. H. & P. | 5½ | '73 | 99¼ | 102½ | 98¼ |
| *Bell T'phone | 5 | '55 | 115½ | 118¼ | 115¼ |
| *Do. | 5 | '57 | 119¼ | 122¼ | 119¼ |
| †B. C. Power | 5 | '60 | 105¼ | 108¼ | 105¼ |
| †Do. | 5½ | '60 | 106¼ | 109¼ | 106¼ |
| †B. C. T'phone. | 5 | '60 | 108¼ | .. | 108¼ |
| *Calgary Power | 5 | '60 | 98¼ | 101¼ | 98¼ |
| *Do. | 5 | '64 | 95 | 98 | 94 |
| †Can. Nor. Pwr. | 5 | '53 | .. | .. | 103¼ |
| *Dom. Gas & El. | 6½ | '45 | 90 | 93 | 90¼ |
| *Gatineau Pr. | 5 | '56 | 99 | 102 | 99 |
| *Do., A | 6 | '41 | 96 | 99 | 94¼ |
| *Do., B | 6 | '41 | 95 | 98 | 93¼ |
| *Int'l. Hydro | 6 | '44 | 57 | 60 | 54¼ |
| *Int'l. Pwr. | 6 | '57 | 97 | 100 | 96¼ |
| *Do. | 6½ | '57 | 99 | 102 | 98¼ |
| ‡Do., | 6 | '55 | 100 | .. | 100 |
| †Maclaren-Que. | 5½ | '61 | 83¼ | 86¼ | 82 |
| †Do. | 5½ | '64 | 82¼ | 85¼ | 81 |
| Maritime T & T | 5 | '58 | 104¼ | .. | 104¼ |
| †Mtl. Island Pr. | 5½ | '57 | 103¼ | 106¼ | 103¼ |
| †Mtl. L. H. & Pr. | 3½ | '56 | 102 | 105 | 102 |
| †Montl. Tram. | 4½ | '55 | 79¼ | 82¼ | 79¼ |
| †Do. | 5 | '41 | 102 | 105 | 102 |
| †Do. | 5 | '55 | 84 | 87 | 84 |
| Nfld. L. & P. | 4½ | '56 | 99 | 102 | 99 |
| Nat'l. L. & P. | 6 | '49 | 98¼ | 101¼ | 98 |
| †N.S. L. & P. | 5 | '58 | 105¼ | 108¼ | 105¼ |
| Do. | 5 | '65 | 102 | .. | 102 |
| †Ottawa Light | 5 | '57 | 107 | 110 | 107 |
| †Ottawa Tract. | 5½ | '55 | 101 | 104 | 101 |
| †Ottawa Val. Pr. | 5½ | '70 | 80¼ | .. | 78 |
| †Power Corp. | 4½ | '59 | 97 | 100 | 97 |
| *Quebec Pr. | 5 | '68 | 105¼ | 108¼ | 105¼ |
| Saguenay Pr. | 4½ | '66 | 103 | 106 | 103 |
| †Shawinigan | 4 | '61 | 98¼ | 101¼ | 97¼ |
| †Do. | 4½ | '70 | 104 | 107 | 103¼ |
| †South Can. Pr. | 5 | '55 | 105 | 108 | 105 |
| †United Secs. | 5½ | '52 | 84¼ | 87¼ | 84¼ |
| †West. Pwr. Co. | 5 | '49 | 105¼ | 108¼ | 105¼ |
| *Winnipeg Elec. | 4½ | '60 | 103 | 106 | 103 |
| *Do., | 6 | '54 | 86 | 89 | 86¼ |
| **Industrial and Realty Issues:** | | | | | |
| †Abitibi Pwr. | 5 | '53 | 54¼ | 57¼ | 56 |
| Acadia Sugar | 4½ | '55 | 101¼ | 104¼ | 101¼ |
| †Alta. P. Grain | 6 | '46 | 94 | 98 | 95 |
| Balfour Bldg. | 4-6 | '43 | 39 | .. | 39 |
| B. A. Oil | 4 | '45 | 103¼ | 106¼ | 103¼ |
| Can. Bread | 6½ | '41 | 109 | 112 | 109 |
| †Can. Cement | 5½ | '47 | 105¼ | 108¼ | 105¼ |
| †Can. Ss. Lines | 5 | '43 | 103 | .. | 103 |
| †Do. | 6 | '41 | 55 | 58 | 54¼ |
| Can. Canners | 4 | '51 | 98¼ | 101¼ | 98¼ |
| Can. Bakeries. | 6½ | '45 | 90 | .. | 89¼ |
| *Can. Int. Paper | 6 | '49 | 92¼ | 95¼ | 93 |
| C. P. R. | 3½ | '51 | 95 | 98 | 95¼ |
| Do. | 4 | '49 | 103¼ | 106 | 103¼ |
| Do. | 4½ | '44 | 99¼ | 102¼ | .00 |
| *Can. Vickers | 6 | '47 | 90 | 93 | 91 |
| †Cons. Paper | 5½ | '41 | 51¼ | 54¼ | 51 |
| *Dom. Coal | 6½ | '55 | 99¼ | 101¼ | 97¼ |
| †Dom. Sq. Corp. | 6 | '48 | 54 | .. | 54 |
| ‡Dom. S. & C. | 6½ | '55 | 68 | 71 | 69 |
| †Dom. Tar | 6 | '49 | 104¼ | 107 | 104¼ |
| Dom. Textile | 4½ | '55 | 105¼ | .. | 105¼ |
| †Donnacona P. | 3-4-4½ | '56 | 72 | 75 | 74 |
| †East. Dairies | 6 | '49 | 82 | 85 | 82 |
| †Fam. Players | 4½ | '51 | 97 | 100 | 97 |
| †Federal Grain | 6 | '49 | *97 | 100 | 98 |
| †Fraser Cos. | 6 | '50 | 98 | 100 | 98 |
| †G. Steel Wares | 6 | '52 | 103¼ | 106¼ | 103 |
| Godfrey Rlty. | 6 | '42 | 40 | .. | 40 |
| *Gt. Lakes Pwr. | 6 | '50 | 55 | 58 | 57¼ |
| †Gypsum, Lime | 5½ | '48 | 100¼ | 103¼ | 101 |
| †Gr. Br. & Can. Inv. | 4½ | '59 | 83 | 86 | 83 |
| Ham. Cottons | 5½ | '48 | 102¼ | 105¼ | 102¼ |
| *Ham. B.-P. C. | 5 | '50 | 99¼ | 102¼ | 98¼ |
| *Hinde & Dauch | 5½ | '48 | 102¼ | 105¼ | 102¼ |
| †Int. P. & P. N. | 5 | '68 | 102 | 105 | 102 |
| Inter. City Bak. | 5½ | '48 | 103¼ | 106¼ | 103¼ |
| Inter-City W. B. | 6½ | '50 | 36¼ | 40 | 36¼ |
| †Kingston Elev. | 6 | '50 | 93 | 96 | 93 |
| †Lake St. John P. & P. | 6½ | '47 | 111 | 114 | 111¼ |
| †Do. | 6 | '42 | 78 | 81 | 80 |
| †Lon. Can. Inv. | 4½ | '42 | 90 | 94 | 90 |
| †Maple Leaf M. | 5½ | '49 | 57 | .. | 55¼ |
| †Massey Harris. | 5 | '47 | 91 | 94 | 89¼ |
| †McColl-Front. | 6 | '49 | 105 | 108 | 105 |
| †Mercury Mills. | 5½ | '53 | 68 | .. | 59¼ |
| *Mersey Paper | 6 | '49 | 96 | .. | 96 |
| *M. & O. Paper | 6 | '45 | 41 | 44 | 43¼ |
| Nor. Ont. Bldg. | 6 | '39 | 94¼ | 97¼ | 94¼ |
| Ontario Bldg. | 6½ | '43 | 30¼ | .. | 30¼ |
| *Prov. Paper | 5½ | '47 | 101¼ | 104¼ | 101¼ |
| Queen's Hotel | 6 | '47 | 94¼ | 97¼ | 94¼ |
| *Reliance Grain | 6 | '48 | 103 | 106 | 103 |
| *Restigouche | 6 | '48 | 105 | 108 | 105 |
| Rich. B. Bldg. | 6 | '47 | 100 | 103 | 100 |
| †Rolland Paper | 6½ | '48 | 104¼ | 107¼ | 104¼ |
| Ruddy & Co. | 6½ | '48 | 98 | 101 | 98 |
| †Simpsons Ltd. | 6 | '49 | 105¼ | 108¼ | 105¼ |
| †Smith, Howard | 5½ | '53 | 105¼ | 108¼ | 105¼ |
| †Steel of Can. | 5½ | '40 | 113 | 115¼ | 113 |
| Sterling Coal | 6 | '40 | 86¼ | 90¼ | 86¼ |
| Stop & Shop | 6 | '47 | 48¼ | .. | 45 |
| Twin City Rapid Tr'sit. | 5½ | '52 | 88¼ | 91¼ | 84¼ |
| United Amuse. | 5 | '56 | 98¼ | 101¼ | 98¼ |
| United Corp. | 5 | '53 | 96 | 99 | 96 |
| Unit. Grain G. | 5 | '48 | 95 | 98 | 96¼ |
| Do. | 5½ | '49 | 100 | 103 | 101 |
| Union Gas | 4½ | '43-50 | 98 | 101 | 98 |
| Zimmerknit | 6 | '51 | 98 | 102 | 98 |

‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. *Payable in Can. or U. S.

## Unlisted Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)
Aug. 4, 1936

| | Bid | Asked |
|---|---|---|
| **Industrial Stocks:** | | |
| Acadia Sugar, com. | 4.35 | 4.65 |
| Do., pfd. | 4.90 | ... |
| Acme Farmers Dairy, pfd. | 38.00 | ... |
| Algoma Steel, new pfd. | 59.00 | 61.00 |
| Andian National | 48.75 | 50.00 |
| Assoc. Tel. & Tel., pfd. | 53.00 | 56.00 |
| B. C. Pulp & Paper, pfd. | 10.00 | 13.50 |
| Burns & Co. A | 10.00 | 12.00 |
| Do., "B" | 5.50 | 6.75 |
| Canada & Dom. Sugar | 59.25 | 60.25 |
| Canada Paper, pfd. | 110.00 | 116.00 |
| Canada Starch, pfd. | 90.00 | 95.00 |
| Canada Tea, pfd. | 30.00 | ... |
| Can. Tube, 1st pfd. | 50.00 | ... |
| Can. Wire & Cable, pfd. | 107.50 | 109.50 |
| Can. Industries A com. | 215.00 | 220.00 |
| Do., B com. | 212.00 | 216.00 |
| Do., pfd. | 160.00 | 164.00 |
| Can. Ingersoll Rand | 100.00 | 111.00 |
| Can. Westinghouse | ... | 58.50 |
| Chase, A. W., pfd. bonus | 25.00 | 26.00 |
| Claude Neon., pfd. | 2.50 | 3.25 |
| Conduits Nat. new com. | 2.50 | 3.00 |
| Dom. Found. & St., com. | 51.00 | ... |
| Do., pfd. | 93.00 | 96.00 |
| Dom. Rubber, pref. | 97.00 | 100.00 |
| Dunlop Tire, pfd. | 84.00 | ... |
| East. Dairies, pfd. | 9.00 | 11.00 |
| Edm. City Dairy, pfd. | 60.50 | ... |
| Federal Grain, com. | 1.50 | 2.50 |
| Do., pfd. | ... | 53.00 |
| Goderich Elevator | 9.25 | 10.25 |
| Greening Wire, pfd. | 106.00 | ... |
| Guelph Carpet, pfd. | 104.50 | 106.00 |
| Do., com. | 17.00 | 19.00 |
| Highland Dairy, com. | 3.25 | 4.00 |
| Do., pfd. | 80.50 | ... |
| Inter City Bak., com. | 30.00 | 35.00 |
| Inter. Met. Ind. A pfd. | 47.50 | 50.00 |
| McLaren Power & Paper, c. | 13.50 | 14.75 |
| New Meth. Laund., pf. bonus | 79.00 | 83.00 |
| Ont. Tobacco Plant., pfd. | 42.00 | 55.00 |
| Prov. Paper, pfd. | 104.00 | 106.00 |
| Reliance Grain, pfd. | ... | 80.00 |
| Rob. Cons. Cone | 9.75 | 10.50 |
| Ruddy, E. L., pfd. | 35.00 | 41.00 |
| Silverwood's Dair. pfd. | 57.00 | 61.00 |
| Stand. Fuel, pfd. bonus | 108.00 | ... |
| Supertest Pet. B pfd. | 28.00 | 29.50 |
| Toronto Carpet, pfd. | 37.00 | 40.00 |
| United Steel, A pfd. | ... | 9.00 |
| Western Grain pfd. bonus | ... | 16.00 |
| Willards Chocolates, pfd. | 20.00 | ... |
| **Trust & Loan Stocks:** | | |
| Chartered Trust | 83.50 | 86.00 |
| Guelph Ont. Inv., par $50. | 52.00 | ... |
| London & West. Trust | ... | 61.00 |
| Premier Trust | 97.00 | ... |
| Sterling Trust | 33.00 | ... |
| Traders Fin. Inc. Rts. | 10.50 | ... |
| Traders Fin. B pfd. bonus | 83.50 | 88.00 |
| Trusts & Guarantee | 28.00 | 33.00 |
| Waterloo Trusts | 98.00 | ... |
| **Insurance Stocks:** | | |
| British America | 47.50 | ... |
| Canada Life | 525.00 | 535.00 |
| Canadian Fire | 74.50 | 77.00 |
| Canadian Ins. Shares | 10.00 | 13.00 |
| Confed. Life 20% pd. | 115.00 | 117.50 |
| Cont. Life 20% pd. | 38.50 | 41.00 |
| Crown Life | 155.00 | ... |
| Dominion Fire | 116.00 | 130.00 |
| Dominion Life 50% pd. | 261.00 | 300.00 |
| Dom. of Can. Gen. | 120.00 | 130.00 |
| Empire Life, 25% pd. | 7.25 | 9.00 |
| Excelsior Life, 30% pd. | 72.50 | ... |
| Federal Fire, 25% pd. | 39.00 | ... |
| Fidelity Ins. of Can. | 45.50 | ... |
| Great West Life | 380.00 | 400.00 |
| Guar. of N.A., fully paid | 262.00 | ... |
| Halifax Fire | 23.00 | 24.00 |
| Imperial Life | 336.00 | ... |
| Manufacturers Life | 255.00 | 265.00 |
| Monarch Life, 10% pd. | 20.25 | 21.50 |
| National Life, 25% pd. | ... | 47.00 |
| Sovereign Life, 25% pd. | 14.00 | 17.50 |
| Sun Life | 515.00 | 530.00 |
| Tor. General Ins. | 4.50 | 5.00 |
| Western Assur. com. | 45.00 | 47.50 |
| Do., pfd. | 41.50 | 45.00 |
| **Theatre Stocks:** | | |
| Allens Beach, pfd. | 61.00 | 65.00 |
| Do., Calgary, com. | 5.25 | 6.75 |
| Do., Kingston, pfd. | 61.00 | ... |
| Do., Parkdale, pfd. | 61.00 | ... |
| Do., Toronto, pfd. bonus c. | 33.00 | ... |
| East. Theatres, com. | 4.50 | 5.50 |
| Do., pfd. | 73.00 | 80.00 |
| Loew's London, pfd. | 2.50 | 3.25 |
| Do., Toronto, pfd. | 111.50 | ... |
| Mansfield Theatre, pfd. | 29.00 | 31.00 |
| Paramount Kitchener, pfd. | 46.00 | ... |
| Do., Oshawa, pfd. | 90.00 | ... |
| United Amusement, A | 17.50 | 20.00 |
| Do., B | 15.00 | 17.00 |
| **Investment Trust Shares:** | | |
| Can. Gen. Invest. | 8.25 | 8.50 |
| Can. Investors Corp. | 7.50 | 8.00 |
| Can. Int. Inv. Trust Units | 58.00 | 62.00 |
| Cons. Div. Std. Sec. Units | 14.00 | 15.00 |
| Debenture & Sec., pfd. | 65.00 | ... |
| Dom. Scott. Inv. Units | 36.00 | ... |
| For. Power Sec., pfd. | 6.50 | 8.50 |
| Invest. Found. Units | 51.00 | 52.50 |
| Sec. Holding Units | 23.00 | 26.00 |
| United Corpns. A | 22.50 | 24.00 |
| Do., B | 7.50 | 8.25 |
| **Power Issues:** | | |
| Calgary Power, pfd. | 80.00 | 82.00 |
| Can. Light & Power, com. | 21.00 | 23.50 |
| Can. West. Nat. Gas, pfd. | 94.00 | 97.00 |
| Do., com. | 24.00 | 26.00 |
| Great Lakes Pwr., pfd. | 90.00 | 93.00 |
| Inter. Util. 7.00 pfd. | 86.50 | 91.00 |
| Nor. Ont. Power, pfd. | 101.25 | 103.25 |
| Nova Scotia L&P pfd. | 101.50 | 103.50 |
| Do., com. | 83.50 | 86.00 |

## Mining Stock Quotations

WEEK ENDED AUGUST 3, 1936

| Par Val. | Range 1936 High | Low | Company | Sales | Close July 27 (or last) | High for week | Low for week | Close Aug. 3 |
|---|---|---|---|---|---|---|---|---|
| ... | .12 | .04 | Afton | 36,600 | .07 | .07½ | .06½ | .07 |
| No | .27 | .07 | Aldermac | 61,860 | .25 | .25 | .22½ | .24 |
| 1 | .04½ | .01½ | Alexandria | 21,800 | .02½ | .03 | .02½ | .03 |
| No | .12½ | .03½ | Algoma | 24,600 | .08½ | .08½ | .07 | .08 |
| No | 6.00 | 4.10 | Anglo-Huronian | 1,679 | 6.00 | 6.00 | 5.80 | 5.90 |
| 1 | 1.71 | 1.15 | Argosy | 72,975 | 1.53 | 1.71 | 1.50 | 1.68 |
| 1 | .97 | .65 | Arntfield | 14,000 | .92 | .97 | .91 | .93 |
| No | .12 | .02 | Arno | 7,000 | .06 | .07 | .06 | .07 |
| 1 | .30 | .06½ | Ashley | 94,770 | .18½ | .25 | .18 | .22 |
| 1 | .06½ | .02½ | Astoria Rouyn | 11,250 | .04½ | .05 | .04 | .05 |
| 1 | .11½ | .05½ | Bagamac | 25,500 | .07½ | .08 | .07 | .07½ |
| 1 | .10 | .03½ | Barry Hollinger | 31,668 | .05½ | .05½ | .05 | .05½ |
| 1 | .40 | .14 | Base Metals | 117,625 | .19½ | .34½ | .19 | .29 |
| 1 | .69 | .28 | B.E.A.R. | 20,400 | .53 | .65 | .60 | .60 |
| No | 1.84 | 1.20 | Beattie Gold | 30,993 | 1.50 | 1.50 | 1.42 | 1.50 |
| 1 | .47 | .30 | Beaufor | 132,350 | .39 | .45 | .39½ | .44 |
| ... | 2.00 | 1.62 | Bidgood Kirk | 20,784 | 1.73 | 1.78 | 1.64 | 1.66 |
| 1 | .76 | .50 | Big Missouri | 29,537 | .60 | .60 | .52 | .52 |
| 1 | .27½ | .13 | Bobjo | 55,245 | .25 | .26 | .23½ | .25½ |
| No | 8.60 | 5.55 | Bralorne | 3,982 | 7.60 | 7.75 | 7.60 | 7.70 |
| 1 | .40 | .13 | Brazil Gold | 500 | .15 | .13 | .13 | .13 |
| 1 | .14½ | .02 | Brett Trethewey | 284,650 | .08½ | .14½ | .08½ | .13 |
| 50c. | .25½ | .09 | B.R.X. Gold | 600 | .15 | .15 | .14½ | .15 |
| 1 | .13 | .09 | Brownlee new | 18,300 | .12 | .13 | .10 | .10 |
| 1 | 8.95 | 3.80 | Buffalo Ankerite | 2,182 | 8.40 | 8.50 | 8.05 | 8.05 |
| No | .13 | .02 | Buffalo Can. | 43,200 | .05½ | .06 | .04½ | .05 |
| 5 | 37.00 | 29.62 | Bulolo Gold | 452 | 30.12 | 31.00 | 29.62 | 31.00 |
| No | .18 | .06 | Bunker Hill | 4,200 | .12½ | .12½ | .11½ | .12 |
| No | 1.45 | .95½ | Can. Malartic | 62,310 | 1.35 | 1.36 | 1.27 | 1.30 |
| 1 | 1.88 | 1.15 | Cariboo Gold | 600 | 1.80 | 1.88 | 1.79 | 1.80 |
| 1 | .30 | .02 | Cartier Malartic | 592,500 | .14 | .30 | .13½ | .29 |
| 1 | 1.69 | 1.24 | Castle Trethewey | 9,745 | 1.40 | 1.45 | 1.38 | 1.43 |
| 1 | .58 | .11½ | Cen. Manitoba | 73,900 | .45 | .49½ | .44 | .48 |
| 1 | 4.90 | 2.41 | Cen. Patricia | 16,000 | 4.55 | 4.75 | 4.50 | 4.60 |
| ... | .59 | .50 | Cen. Porcupine | 50,400 | .54½ | .56 | .50 | .51 |
| ... | 2.68 | 2.05 | Chromium | 18,685 | 2.22 | 2.30 | 2.05 | 2.08 |
| No | .09½ | .03½ | Church M. & Mill | 16,700 | .05 | .05½ | .05 | .05 |
| No | .14 | .03 | Clericy | 121,450 | .08½ | .10½ | .06½ | .10½ |
| 5 | 4.50 | 2.75 | Coast Copper | 45 | 3.30 | 3.00 | 2.75 | 2.75 |
| 1 | .03½ | .01½ | Cobalt Contact | 10,500 | .02½ | .02½ | .02 | .02 |
| 5 | 4.25 | 2.80 | Coniagas | 250 | 3.50 | 3.35 | 3.25 | 3.25 |
| No | 2.75 | 1.80 | Coniaurum | 4,815 | 2.40 | 2.35 | 2.20 | 2.20 |
| 1 | 2.30 | 1.10 | Con. Chibougamau | 19,070 | 1.83 | 1.85 | 1.75 | 1.80 |
| 25 | 57.75 | 51.00 | Cons. Smelters | 3,147 | 57.00 | 57.50 | 56.75 | 57.00 |
| No | 61.25 | 41.75 | Dome Mines | 2,844 | 53.75 | 57.25 | 53.50 | 57.00 |
| 1 | .07 | .04½ | Dom. Explorers | 1,000 | .05½ | .05½ | .05½ | .05½ |
| 1 | .10½ | .04 | Duparquet | 55,511 | .05 | .08 | .04½ | .08 |
| 1 | .90 | .52 | East Malartic | 75,920 | .81 | .83 | .75 | .80 |
| 1 | 1.38 | .83 | Eldorado | 9,238 | .87 | .85 | .83 | .83 |
| No | 9.60 | 6.90 | Falconbridge | 6,044 | 9.50 | 9.55 | 9.00 | 9.20 |
| 1 | .10 | .03 | Federal | 16,700 | .07½ | .07½ | .07 | .07½ |
| No | .44 | .10 | Francoeur Gold | 74,800 | .14 | .22 | .12 | .20 |
| ... | .40 | .30½ | Glenora | 283,459 | .33 | .38 | .30½ | .34 |
| No | 1.45 | .75 | God's Lake | 21,681 | 1.20 | 1.20 | 1.10 | 1.12 |
| 1 | .49 | .14½ | Goldale | 24,650 | .37 | .39 | .35 | .36 |
| 50c. | .56 | .25 | Gold Belt | 2,500 | .25 | .25 | .25 | .25 |
| 1 | .26½ | .06 | Goodfish | 23,400 | .16 | .16 | .15 | .15 |
| 1 | .23 | .03 | Graham Bosquet | 165,550 | .18 | .23 | .16 | .23 |
| 1 | .40 | .17 | Granada Gold | 7,399 | .30 | .30 | .27 | .30 |
| No | .14 | .05½ | Grandora | 6,100 | .13 | .13 | .10½ | .13 |
| 1 | .93 | .21 | Greene Stabell | 549,650 | .58½ | .93 | .57 | .84½ |
| 1 | .09 | .04 | Grozelle | ...... | (.05½ bid .10 asked) | | | |
| 1 | .12 | .08 | Grull Wihksne | 1,500 | .12 | .10½ | .10 | .10½ |
| 1 | 1.20 | .75 | Gunnar Gold | 8,640 | 1.10 | 1.08 | 1.00 | 1.01 |
| 1 | .10½ | .02 | Halcrow Swayze | 33,200 | .05½ | .06 | .05 | .06 |
| 1 | 3.63 | .30 | Hard Rock | 243,990 | 3.52 | 3.57 | 3.10 | 3.40 |
| 1 | .18½ | .07 | Harker | 135,000 | .16 | .17 | .15 | .16 |
| 5 | 17.25 | 13.50 | Hollinger | 8,475 | 15.25 | 15.50 | 15.00 | 15.00 |
| 1 | 1.00 | .55 | Howey Gold | 49,408 | .89 | .90 | .85 | .85 |
| No | 28.25 | 22.87 | Hudson Bay | 3,115 | 26.75 | 27.00 | 26.25 | 27.00 |
| 1 | 14.25 | 11.00 | Inter. Mining | 100 | 11.00 | 10.75 | 10.75 | 10.75 |
| 1 | 4.50 | 3.20 | Do., Pur. Warr. | 100 | 4.50 | 3.20 | 3.20 | 3.20 |
| No | 54.00 | 43.50 | Int. Nickel | 14,364 | 51.50 | 51.75 | 50.37 | 51.50 |
| 1 | .70 | .28½ | J. M. Cons. Gold | 77,000 | .65 | .67 | .60 | .60 |
| 1 | .65 | .40 | Kerr Lake | 905 | .55 | .63 | .55 | .62 |
| 1 | 1.75 | .30 | Kirk. Hud. Bay | 169,010 | 1.00 | 1.75 | 1.04 | 1.70 |
| 1 | .94 | .40 | Kirkland Lake | 38,610 | .64 | .64½ | .59 | .59 |
| 1 | .31 | .14½ | Kirk. Townsite | 26,100 | .22 | .27 | .21 | .23 |
| No | .21 | .03 | Lake Maron | 147,500 | .15½ | .16½ | .15 | .15½ |
| 1 | 60.00 | 51.75 | Lake Shore | 2,028 | 58.87 | 58.87 | 58.00 | 58.50 |
| 1 | .47 | .05 | Lamaque Contact | 354,400 | .45 | .47 | .44 | .44 |
| 1 | 1.38 | 1.00 | Lava Cap | 14,900 | 1.05 | 1.06 | 1.00 | 1.03 |
| 1 | .29½ | .12 | Lebel Oro | 49,192 | .20 | .21 | .19 | .19½ |
| 1 | .06½ | .02½ | Lee Gold | 92,700 | .05½ | .05½ | .04½ | .05½ |
| No | 7.75 | 5.90 | Little Long Lac | 6,367 | 6.35 | 6.50 | 6.20 | 6.25 |
| 1 | 4.95 | 3.12 | Macassa | 26,290 | 4.80 | 4.90 | 4.60 | 4.75 |
| 1 | .07 | .01½ | Malrobic | 90,000 | .05½ | .05½ | .05 | .05½ |
| No | .42 | .12 | Mandy | 14,850 | .39 | .42 | .35 | .35 |
| No | .27 | .05½ | Man. & Eastern | 218,450 | .20½ | .25½ | .21 | .23½ |
| 1 | .30 | .05½ | Maple Leaf | 50,125 | .25 | .30 | .24½ | .28½ |
| ... | .55 | .46 | May Spiers | 65,150 | .53 | .55 | .46 | .46 |
| 5 | 42.75 | 40.00 | McIntyre | 6,220 | 41.78 | 42.75 | 41.50 | 42.50 |
| 1 | 2.25 | 1.22 | McKenzie R. L. | 58,025 | 2.08 | 2.10 | 1.96 | 2.09 |
| 1 | .65 | .45 | McKinley | 37 | .65 | .60 | .60 | .60 |
| No | 5.00 | 3.50 | McLeod Cockshutt | 53,425 | 4.50 | 4.80 | 4.25 | 4.80 |
| 1 | .14 | .02 | McMillan | 77,550 | .07½ | .08½ | .07½ | .07½ |
| No | 1.78 | 1.19 | McWatters | 34,050 | 1.44 | 1.57 | 1.40 | 1.46 |
| 1 | .42 | .19 | McVittie | 20,253 | .21 | .24 | .20 | .20 |
| No | 1.50 | 1.10 | Mining Corp. | 2,675 | 1.45 | 1.45 | 1.37 | 1.38 |
| No | 1.00 | .45 | Minto Mines | 65,300 | .61½ | .61 | .45 | .50 |
| 1 | .16 | .06 | Moffatt Hall | 14,950 | .09½ | .10 | .09½ | .10 |
| 1 | .80 | .51 | Morris Kirk | 10,100 | .60 | .62 | .55 | .56 |
| 1 | .33 | .06½ | Moneta | 49,800 | .19½ | .27 | .15½ | .26 |
| ... | 1.26 | 1.22 | Montague | 5,200 | ..... | 1.26 | 1.22 | 1.26 |
| 1 | .07½ | .00½ | Murphy | 69,800 | .04½ | .05½ | .04½ | .05½ |
| No | .06 | .02 | Newbec | 137,200 | .04½ | .06 | .04½ | .06 |
| ... | 1.30 | 1.06 | New Golden Rose | 16,850 | 1.10 | 1.10 | 1.00 | 1.07 |
| 1 | .06½ | .01½ | Night-Hawk Penn. | 27,100 | .03½ | .03½ | .03 | .03 |
| 5 | 3.05 | 2.30 | Nipissing | 6,600 | 2.75 | 2.80 | 2.45 | 2.45 |
| No | 63.75 | 44.50 | Noranda | 9,281 | 62.50 | 63.75 | 62.50 | 63.25 |
| No | .63 | .28½ | Nor. Canada | 19,525 | .54 | .57 | .53 | .56 |
| 1 | 7.00 | .34 | O'Brien | 388,355 | 4.75 | 7.00 | 4.35 | 6.85 |
| 1 | .80 | .40 | Omega | 42,035 | .66 | .73 | .65 | .72 |
| 1 | .18 | .07 | Osisko | 2,000 | .14½ | .15 | .14½ | .15 |
| No | 5.20 | 3.50 | Pamour | 12,347 | 4.60 | 4.70 | 4.50 | 4.50 |
| 1 | .31½ | .18 | Parkhill | 167,355 | .23 | .26 | .22 | .24 |
| 1 | .11 | .02½ | Pawnee Kirk | 34,300 | .08½ | .08½ | .06 | .08 |
| 1 | 1.20 | .50½ | Paymaster | 38,095 | 1.03 | 1.05 | 1.01 | 1.03 |
| 1 | 1.20 | .65 | Pend Oreille | 3,400 | 1.00 | 1.00 | .83 | .86 |
| 1 | 1.75 | 1.12 | Perron Gold | 40,640 | 1.31 | 1.49 | 1.30 | 1.38 |
| 1 | .04½ | .02 | Peterson Cobalt | 15,100 | .02½ | .02½ | .02 | .02 |
| 1 | 7.60 | 3.45 | Pickle Crow | 32,616 | 7.50 | 7.60 | 7.05 | 7.25 |
| 1 | 12.00 | 8.00 | Pioneer Gold B.C. | 5,250 | 8.40 | 8.50 | 8.00 | 8.15 |
| 1 | .15 | .04 | Porcupine Crown | 97,600 | .11½ | .12 | .11 | .11½ |
| 1 | 2.75 | 1.80 | Premier Gold | 14,655 | 2.61 | 2.75 | 2.66 | 2.72 |
| 1 | 2.25 | 1.71 | Preston E. Dome | 57,055 | 1.83 | 1.90 | 1.71 | 1.90 |
| No | 3.25 | 2.10 | Prospectors Air's | 2,720 | 2.30 | 2.40 | 2.20 | 2.25 |
| 1 | 1.40 | .70 | Quebec Gold | 8,600 | .74 | .79 | .75 | .77 |
| No | .08½ | .02 | Quemont | 1,000 | .07 | .08½ | .08 | .08½ |
| 1 | 4.35 | 1.43 | Read Authier | 56,450 | 3.95 | 4.20 | 3.85 | 4.15 |
| 1 | 2.25 | .50 | Red Lake | 111,330 | 2.09 | 2.25 | 2.02 | 2.22 |
| 1 | 1.35 | 1.00 | Reno Gold | 6,050 | 1.26 | 1.30 | 1.25 | 1.28 |
| 1 | .13½ | .01 | Ritchie | 91,000 | .08 | .10 | .07 | .09½ |
| 1 | .09 | .04 | Robb Montbray | 114,300 | .05½ | .05½ | .05 | .05 |
| 1 | .32 | .03½ | Roche Long Lac | 54,400 | .27 | .28 | .25 | .25½ |
| 1 | 3.45 | 2.16 | San Antonio | 14,839 | 2.34 | 2.35 | 2.25 | 2.25 |
| 1 | 1.15 | .75 | Shawkey | 219,580 | .93 | 1.03 | .83 | .92 |
| 50c. | .86 | .56 | Sheep Creek | 3,700 | .73 | .80 | .75 | .80 |
| 1 | 1.90 | 1.00 | Sherritt Gordon | 123,076 | .70 | 1.69 | 1.50 | 1.50 |
| 1 | 4.45 | 2.85 | Siscoe | 56,514 | 4.35 | 4.45 | 4.15 | 4.30 |
| 1 | .70½ | .42½ | Sladen Malartic | 132,150 | .65 | .70½ | .66 | .68 |
| 1 | 6.25 | 4.40 | South Amer. Gold | ..... | (4.65 June 4.) | | | |
| No | .08½ | .03½ | South Tiblemont | 18,500 | .05½ | .05½ | .05 | .05 |
| No | .66 | .18½ | Stadacona | 267,150 | .61 | .66 | .57 | .66 |
| 1 | .38½ | .18 | St. Anthony | 81,925 | .30½ | .33½ | .29 | .33 |
| No | 4.95 | 3.00 | Sudbury Basin | 5,312 | 4.75 | 4.80 | 4.60 | 4.75 |
| 1 | .20 | .06 | Sudbury Contact | 17,300 | .16½ | .18 | .16 | .18 |
| 1 | .07½ | .03 | Sudbury Mines | 36,800 | .03½ | .03½ | | |
| 1 | 1.90 | .83 | Sullivan Cons. | 60,287 | 1.80 | 1.90 | 1.82 | 1.85 |
| 1 | 3.55 | 2.25 | Sylvanite | 20,175 | 3.41 | 3.55 | 3.40 | 3.40 |
| 1 | .68 | .28 | Tashota | 14,985 | .39 | .41 | .37 | .40½ |
| 1 | 6.70 | 4.30 | Teck Hughes | 16,613 | 6.35 | 6.45 | 6.25 | 6.35 |
| 1 | 1.50 | .37½ | Thomp. Cadillac | 344,735 | .76½ | 1.50 | .74½ | 1.30 |
| 1 | .23 | .02 | Timiskaming | 15,300 | .18½ | .18 | .15½ | .16½ |
| 1 | 1.90 | 1.20 | Toburn Gold | 10,695 | 1.83 | 1.87 | 1.75 | 1.83 |
| 1 | .45 | .20 | Towagmac | 8,800 | .40½ | .42½ | .41 | .42½ |
| 1 | .40 | .20 | Treadwell | 900 | .20 | .30 | .30 | .30 |
| No | 2.52 | 1.60 | Ventures | 19,360 | 2.30 | 2.37 | 2.20 | 2.25 |
| No | 1.78 | 1.00 | Waite Amulet | 17,147 | 1.60 | 1.65 | 1.40 | 1.45 |
| 50c | .21 | .09½ | Wayside | 57,500 | .10½ | .11½ | .10 | .11½ |
| No | .05½ | .03 | White Eagle | 12,700 | .04½ | .04½ | .03½ | .04½ |
| 1 | .10 | .03 | Wiltsey Coughlan | 43,410 | .06½ | .08 | .06½ | .08 |
| 1 | .09 | .04 | Wood Kirkland | 1,500 | .06½ | .06½ | .06½ | .06½ |
| No | 9.00 | 7.55 | Wright-Hargreaves | 9,675 | 8.10 | 8.30 | 8.05 | 8.15 |
| No | .71 | .38 | Ymir Girl | 6,320 | .42 | .42 | .40 | .42 |
| | | | **OIL STOCKS** | | | | | |
| No | .18½ | .09½ | Acme Gas & Oil | 6,650 | .10 | .10½ | .10 | .10 |
| 1 | .79 | .40 | Ajax | 2,200 | .55 | .55 | .50 | .50 |
| No | 1.60 | .79 | Calgary & Ed. | 6,175 | 1.55 | 1.55 | 1.50 | 1.54 |
| 1 | .18 | .05 | Calmont | 1,200 | .13½ | .13 | .13 | .13 |
| No | .10½ | .04 | Common Pete | ..... | (... bid .07 asked) | | | |
| No | .78 | .35 | Dalhousie | 6,670 | .70 | .67 | .62 | .62 |
| No | .13½ | .06 | East Crest | 500 | .07 | .08 | .08 | .08 |
| No | .78 | .30 | Foothills | 25 | .40 | .35 | .35 | .35 |
| No | .31 | .15 | High Sarcee | 6,500 | .28 | .30 | .25 | .29 |
| No | 1.46 | .70 | Home | 5,495 | 1.00 | 1.03 | 1.00 | 1.00 |
| 1 | .81 | .11 | Homestead O.&G. | 112,775 | .47 | .59 | .47 | .59 |
| No | .17 | .07 | Lowery | ..... | (.05 bid .15 asked) | | | |
| No | .24 | .12 | Merland | 500 | .15 | .13 | .13½ | .13½ |
| 5 | .26 | .12 | Nordon | 4,500 | .13½ | .13 | .13 | .13 |
| No | .67 | .03 | Oil Selections | 4,600 | .04 | .05 | .04 | .05 |
| No | .15 | .07 | Olga Gas & Oil | 7,900 | .08 | .08½ | .07 | .08 |
| 1 | .75 | .52 | Petrol Oil & Gas | ..... | (.70 bid 1.00 asked) | | | |
| No | 39.75 | 26.25 | Royalite | 273 | 30.00 | 30.50 | 29.00 | 29.00 |
| No | .20 | .04 | South West Pete | 400 | .20 | .20 | .20 | .20 |
| No | 2.50 | 1.71 | Texas Can. | 800 | 1.87 | 1.90 | 1.80 | 1.90 |

### VANCOUVER STOCK EXCHANGE

(Transaction for Week to August 3)

| Par Val. | Range 1936 High | Low | Company | Sales | Close July 27 (or last) | High for week | Low for week | Close Aug. 3 |
|---|---|---|---|---|---|---|---|---|
| 25c | .01 | .00½ | Bayview | 2,000 | .01 | .00½ | .00½ | .00½ |
| 20c | .05 | .02 | Beaver Silver | 3,000 | .02 | .02 | .02 | .02 |
| 25c | .01½ | .01 | Bluebird | ..... | (.01 May 12) | | | |
| No | 8.55 | 5.60 | Bralorne | 7,343 | 7.65 | 7.80 | 7.55 | 7.80 |
| 1 | .10 | .02 | Bridge River Cons | 6,500 | .06½ | .06 | .05½ | .05½ |
| 50c | .25½ | .08½ | B.R.X. Gold | 8,400 | .14 | .14 | .13 | .13½ |
| 50c | .18 | .12½ | B.R. Mountain Gold | ..... | (... bid .14 asked) | | | |
| 1 | .54 | .12½ | B.C. Nickel | 11,200 | .34 | .36 | .34 | .34 |
| 1 | 2.75 | 1.50 | B.C. Silver | 525 | 2.00 | 2.50 | 2.50 | 2.50 |
| 50c | .12½ | .04 | Canadian Rand | 7,450 | .10 | .10 | .08 | .06 |
| 1 | 1.80 | 1.15 | Cariboo Gold | 3,000 | 1.77 | 1.80 | 1.77 | 1.77 |
| 1 | .30 | .12 | Congress Gold | 16,250 | .14 | .14½ | .12 | .13 |
| 25c | .00½ | .00½ | Cork Province | ..... | (.00½ bid .00½ asked) | | | |
| 1 | .04 | .02 | Cotton Belt | ..... | (... bid .02½ asked) | | | |
| 1 | .03½ | .01 | Dalhousie Mines | ..... | (.01 bid .02 asked) | | | |
| No | .36 | .16½ | Dentonia | 9,800 | .19 | .18 | .16½ | .17 |
| No | .08½ | .02 | Dictator | 4,000 | .02½ | .02½ | .02½ | .02½ |
| 1 | .07 | .03 | Dunwell | 500 | .03 | .03 | .03 | .03 |
| No | .09½ | .03 | Fairview Amal. | 5,700 | .04½ | .04½ | .04 | .04 |
| 50c | .62 | .35 | Fawn Mining | 7,050 | .66 | .64 | .60 | .62 |
| 1 | .18½ | .03½ | Federal Gold | 25,700 | .06 | .06½ | .05½ | .05½ |
| 1 | .25 | .15 | George Copper | ..... | (.15 bid ... asked) | | | |
| 50c | .05½ | .02½ | George Enterprise | ..... | (.02½ bid ... asked) | | | |
| 1 | .02½ | .01½ | Georgia River | ..... | (.01½ bid .01½ asked) | | | |
| 1 | .24 | .09 | Golconda | 4,000 | .09½ | .11 | .10½ | .10½ |
| 50c | .54 | .27 | Gold Belt | 2,000 | .30 | .29 | .27 | .27 |
| 50c | .18 | .05 | Gold Mountain | 28,300 | .14½ | .14 | .12½ | .13 |
| 50c | .04½ | .02 | Grandview | 8,500 | .03 | .03½ | .03 | .03 |
| No | .07½ | .01½ | Grange Mines | 18,500 | .02 | .01½ | .01½ | .01½ |
| 1 | .12 | .07 | Grull Wihksne | 25,550 | .10½ | .12 | .10½ | .12 |
| No | .05½ | .02 | Haida Gold | 2,000 | .02 | .02½ | .02½ | .02½ |
| 50c | .32 | .15 | Hedley Amal | 3,700 | .16½ | .17 | .16 | .16½ |
| No | .05 | .03 | Hedley Sterling | ..... | (... bid .03 asked) | | | |
| No | .08 | .02 | Home Gold | 8,500 | .03½ | .03½ | .03½ | .03½ |
| 1 | .02 | .00½ | Independence | ..... | (.00½ bid ... asked) | | | |
| 1 | .03 | .02 | Indian Mines | ..... | (... bid .02½ asked) | | | |
| 50c | 1.82 | .95 | Island Mountain | 850 | 1.54 | 1.52 | 1.50 | 1.50 |
| 1 | .21 | .18 | Inter'tl Coal | ..... | (.20½ bid .21 asked) | | | |
| ... | .10½ | .07½ | Inter'tl Gold | 1,000 | .08 | .07½ | .07½ | .07½ |
| 50c | .72 | .30 | Kootenay Belle | 12,500 | .63 | .66 | .62 | .64 |
| 20c | .00½ | .00½ | Koot. Florence | ..... | (.00½ July 25) | | | |
| 25c | .00½ | .00½ | Kootenay King | ..... | (... bid .00½ asked) | | | |
| 1 | .00½ | .00½ | Lakeview | ..... | (.00½ bid ... asked) | | | |
| 10c | .02½ | .01 | Lucky Jim | ..... | (.01½ bid ... asked) | | | |
| No | .14 | .03½ | Mak Siccar | 2,500 | .04 | .04 | .04 | .04 |
| 50c | .00½ | .00½ | Marmot Metals | ..... | (.00½ bid .00½ asked) | | | |
| 1 | .20 | .12 | McGillivray Creek | ..... | (.20 bid .23 asked) | | | |
| 50c | .14½ | .06½ | Meridian Min. | 13,900 | .08 | .09 | .07 | .09 |
| No | .94 | .07 | Minto Mines | 410,750 | .62 | .61 | .46 | .52½ |
| 50c | .05 | .01½ | Morning Star | 12,500 | .02 | .02 | .01½ | .01½ |
| 1 | .01 | .00½ | Morton Woolsey | ..... | (.00½ bid .00½ asked) | | | |
| 50c | .03½ | .02 | National Silver | ..... | (.02½ bid .03 asked) | | | |
| 50c | .22½ | .07½ | Nicola | 57,500 | .16½ | .17 | .16 | .16½ |
| 50c | .05½ | .02½ | Noble Five | 17,500 | .02½ | .02½ | .02½ | .02½ |
| No | .09 | .02 | Pilot Gold | 177,300 | .07½ | .09 | .07½ | .08½ |
| 1 | 11.85 | 8.00 | Pioneer Gold | 4,585 | 8.50 | 8.50 | 8.00 | 8.25 |
| 50c | .07 | .04 | Porter Idaho | 4,500 | .04½ | .04 | .04 | .04 |
| No | .01½ | .00½ | Premier Border | 4,000 | .01 | .01 | .01 | .01 |
| 1 | .02 | .01 | Quatsino Copper | ..... | (.01½ bid .02 asked) | | | |
| 25c | .13½ | .05 | Quesnelle Quartz | 5,900 | .09½ | .10 | .09 | .09 |
| 50c | .05 | .04 | Red Hawk | ..... | (.02½ bid ... asked) | | | |
| .01 | .09½ | .05½ | Reliance | 35,100 | .06 | .06½ | .05½ | .06 |
| 1 | .48 | .26 | Relief Arlington | 10,400 | .31 | .34 | .31½ | .32 |
| No | .12 | .05 | Reeves McDonald | 20 | .06 | .05 | .05 | .05 |
| 1 | 1.38 | 1.00 | Reno Gold | 6,950 | 1.24 | 1.30 | 1.25 | 1.30 |
| 1 | .15 | .02 | Reward Mining | 45,700 | .06 | .06½ | .05 | .06½ |
| 1 | .01½ | .00½ | Rufus Argenta | 16,800 | .01 | .01½ | .01½ | .01½ |
| 1 | .03 | .01 | Ruth Hope | ..... | (.01½ July 15) | | | |
| 1 | .15 | .07 | Sally Mines | 2,100 | .07 | .10 | .07 | .10 |
| 50c | .13½ | .08 | Salmon Gold | 1,000 | .08½ | .09 | .09 | .09 |
| 50c | .81 | .55 | Sheep Creek | 27,900 | .72 | .81 | .73 | .81 |
| 25c | .01½ | .00½ | Silvercrest | ..... | (.00½ July 15) | | | |
| 20c | .02½ | .01 | Silversmith | ..... | (.00½ June 20) | | | |
| 50c | .00½ | .00½ | Snowflake | ..... | (.00½ bid ... asked) | | | |
| 1 | .54 | .40 | Standard Silver | 3,300 | .42 | .43½ | .40 | .43½ |
| 10 | 24.25 | 16.50 | Sunshine | ..... | (12.50 bid 13.50 asked) | | | |
| No | .24 | .07½ | Taylor Bridge | 1,000 | .09 | .10 | .10 | .10 |
| 1 | .21 | .07 | Taylor Windfall | 200 | .15 | .14 | .14 | .14 |
| 50c | .04½ | .01½ | United Empire | 18,000 | .04½ | .04 | .03½ | .03½ |
| No | 1.88 | .65 | Vidette Gold | 19,175 | 1.14 | 1.64 | 1.15 | 1.44 |
| No | .08½ | .00½ | Viking Gold | 15,000 | .02½ | .02½ | .02½ | .02½ |
| No | .06½ | .01 | Waterloo Gold | 3,300 | .04½ | .04½ | .03½ | .03½ |
| 50c | .02 | .00½ | Waverley Tangier | 12,000 | .00½ | .00½ | .00½ | .00½ |
| 50c | .20½ | .09½ | Wayside | 13,700 | .10½ | .11 | .10 | .11 |
| 20c | .01½ | .01 | Wellington | ..... | (... bid .01 asked) | | | |
| ... | .22 | .19 | Wesko | 7,050 | .21 | .21 | .20 | .21 |
| 1 | .06½ | .02½ | Whitewater | 1,000 | .03 | .02½ | .02½ | .02½ |
| No | .69 | .40 | Ymir Yankee Girl | 3,900 | .40 | .44 | .40 | .44 |
| | | | **OIL STOCKS** | | | | | |
| 1 | .21 | .09 | Alta. Pac. Cons. | 4,588 | .15 | .15 | .14 | .14 |
| 1 | .15 | .04 | Amalgamated | 11,000 | .12½ | .12½ | .12½ | .12½ |
| 1 | .09 | .02½ | Anaconda | 23,500 | .06 | .06½ | .05½ | .06 |
| No | .05 | .02 | Baltac | 500 | .03 | .03 | .03 | .03 |
| 1 | .48 | .09½ | Brit. Dominion | 4,000 | .24 | .25 | .22 | .22½ |
| 1 | .15 | .05 | Crow's Nest | 12,700 | .13½ | .13½ | .12 | .13 |
| No | .05½ | .03 | Devenish | 2,000 | .04 | .03½ | .03½ | .03½ |
| No | .12½ | .04½ | Freehold | 30,300 | .09½ | .09½ | .08 | .08½ |
| No | .09½ | .04 | Hargal | 2,900 | .08 | .08 | .08 | .07 |
| No | .33 | .12 | High Sarcee | 109,250 | .26½ | .30 | .22 | .23 |
| No | .03 | .01 | Madison | 1,000 | .01½ | .01½ | .01½ | .01½ |
| No | .25 | .11½ | Marjon Oil | 16,150 | .19 | .19 | .18 | .18 |
| No | .14½ | .06½ | McD. Segur Ex. | 8,800 | .09 | .09½ | .09 | .09 |
| 1 | .40 | .20 | McLeod | 300 | .39 | .36 | .35 | .35 |
| No | .18½ | .11 | Mercury | 5,800 | .11½ | .12 | .11½ | .11½ |
| No | .15 | .08 | Mill City Pete | ..... | (.00½ bid .10 asked) | | | |
| ... | .29 | .20 | Model | 2,175 | .25 | .27 | .23½ | .24 |
| ... | .25 | .04 | Okalta | 11,100 | .20 | .20 | .18 | .19 |
| No | .09½ | .04½ | Pacalta Oil | 8,350 | .06 | .05½ | .06 | .06½ |
| 1 | .83 | .34 | Ranchmen's | 1,850 | .44 | .41 | .34 | .38 |
| 1 | .27 | .18 | Spooner | ..... | (.20 bid ... asked) | | | |
| No | .09½ | .05 | United | 800 | .06 | .06½ | .06½ | .06½ |
| No | .10½ | .05 | Vanalta | 500 | .08½ | .03½ | .03½ | .03½ |
| 1 | .65 | .10 | Vulcan | 3,300 | .45 | .50 | .44 | .47 |
| 1 | .05½ | .07 | Wellington Oil | ..... | (.07 bid ... asked) | | | |

## Unlisted Mines

August 4, 1936

| | Bid | Asked |
|---|---|---|
| Albany River | .73 | .75 |
| Algold | .45 | .47 |
| Ardeen | .34 | .36 |
| Area | .05½ | .06 |
| Arrow Head | .35 | .38 |
| Athabaska | ... | .20 |
| Athona (Gt. B. L.) | .38 | .42 |
| Arno | .06 | .07 |
| Bailor | .05 | .05½ |
| Bankfield Gold | .75 | .77 |
| Big Master | .57 | .60 |
| Blue Star | .30 | .32 |
| Bousquet Gold | .13 | .15 |
| Big Long Lac | .06 | .08 |
| Brae Breest | .28 | .30 |
| Callinan Flin Flon | .18 | .20 |
| Can. Kirkland | .02½ | .03½ |
| Capital Rouyn | .29 | .31 |
| Casey Contact | .03½ | .04½ |
| Casey Summit | .30 | .32 |
| Coin Lake | .42 | .43 |
| Columario (new) | .03 | .03½ |
| Cons. Goldfields | .43 | .45 |
| Cuniptau | .37 | .39 |
| Cripple Creek | 1.12 | 1.20 |
| Darwin | .61 | .66 |
| Delwood | .23 | .26 |
| Dunlop (new) | .09 | .11 |
| Dorval Siscoe | .37 | .40 |
| Elmos | .45 | .50 |
| Empire | .32 | .34 |
| Empress Cons. | .40 | .42 |
| Franklin | .03 | .04 |
| Frontier R. Lake | .17½ | .19½ |
| Gateway Pat. | .21 | .25 |
| Gilmour Units | 10.00 | 12.00 |
| Gilbec | .07½ | .08 |
| Gillies Lake | .48 | .53 |
| Gold Eagle | 1.75 | 1.82 |
| Goldside | .15 | .17 |
| Golden Gate | .41 | .43 |
| Gordon Lebel | .28 | .30 |
| Horseshoe | .03 | .08½ |
| Hudson Patricia | .22 | .24 |
| Hutchison Lake | .14 | .16 |
| Jellicoe | .23 | .27 |
| Johnson Nipigon | .05½ | .07 |
| Kaw Crow | .17 | .18 |
| Kerr Addison | .35 | .38 |
| Keystone | ... | .18 |
| Lamaque | 7.50 | 8.00 |
| Lapa Cadillac | .35 | .38 |
| Leitch Gold | 1.03 | 1.05 |
| Long Lac Lagoon | ... | .11 |
| Lake Rose | .63 | .71 |
| Margaret | .34 | .37 |
| Madsen Red L. | .98 | 1.00 |
| Manitoba Basin (new) | .05 | .06 |
| Magnet Lake | .09 | .11 |
| Martin McNeely | .58 | .60 |
| Matachewan Can. | .19 | .21 |
| Matalac | ... | .22 |
| McCandres | .35 | .37 |
| McCarthy Webb | .33 | .36 |
| McLellan | .30 | .33 |
| Mosher | .75 | .78 |
| Moffatt Hall (new) | .31 | .34 |
| Montague | 1.28 | 1.30 |
| Murmac | .11 | .13 |
| North Shores | .04 | .05 |
| Oklend | .36 | .39 |
| Old Diamond units | 15.50 | 17.50 |
| O'Leary | .24 | .26 |
| Opemiska | 1.50 | ... |
| Oriole | .08 | .09 |
| Ormond | .30 | .31 |
| Otisse L. L. | 10.00 | 12.00 |
| Paulore | .36 | .38 |
| Porcupine Gold R. | .04 | .04½ |
| Presdor | .35 | .37 |
| Proprietory M. | .40 | .43 |
| Queen Label | .13 | .14 |

## Winnipeg Stocks

(Transactions from July 25 to Aug. 1)

| | Sales | High for period | Low for period | Close Aug. 1 |
|---|---|---|---|---|
| Can. Rand | 1,500 | .10 | .10 | .10 |
| Cons. Goldfields | 19,400 | .43 | .39½ | .40 |
| Crescent C., p. | 25 | 35.00 | 35.00 | 35.00 |
| Cryderman | 3,500 | .09 | .09 | .09 |
| Flin Flon | 19,600 | .34 | .27 | .31 |
| Gold Lake | 18,300 | .45 | .36 | .44 |
| Gurney Gold | 8,900 | .66 | .60 | .63 |
| Island Lake | 700 | .04½ | .04½ | .04½ |
| Jowsey Isl. | 2,000 | .10½ | .10 | .10 |
| Kingfisher | 1,500 | .02½ | .02 | .02½ |
| Ore Grande | 3,500 | .21 | .17 | .20 |
| Pine Lake | 5,450 | .10 | .08½ | .10 |
| Knee Lake | 4,500 | .02½ | .02 | .02½ |
| Packsack | 1,000 | .25 | .25 | .25 |
| Rice Lake | 9,200 | .09 | .07½ | .09 |
| Scotia | 200 | .07 | .07 | .07 |
| Rahill | 100 | .52 | .52 | .53 |
| Sachigo River | 1,195 | 21.00 | 18.00 | 20.00 |
| Scattergood | 1,000 | .04 | .04 | .04 |
| Wingold | 21,700 | .07½ | .06 | .06 |
| Wylie Dom. | 2,360 | .62 | .60 | .62 |
| Wallace Lake | 2,000 | .03½ | .03 | .03½ |

Stocks Not Traded in During Week*

| | Bid | Ask. |
|---|---|---|
| Beaver Fire Ins. | ... | 100 |
| Can. Indemnity | 135 | ... |
| Comm. Securities | ... | 10 |
| Dom. Envelope, com. | 1 | 1¼ |
| Home Invest. | 24 | ... |
| Northern Trust | 7 | 9¼ |

*Stocks more active on other exchanges not included.

## Investment Trusts

| | Bid | Asked |
|---|---|---|
| Can. Amer. Trust | 4.15 | 4.40 |
| Can. Invest. Fund | 4.35 | 4.65 |
| All Can. Trustee | 12.20 | 12.80 |
| Trans-Canada | 11.90 | 12.65 |
| Grouped Income | ... | 6.85 |
| Can. Equity | 13.00 | ... |
| Can. Inter. Trust | 5.25 | 5.75 |

## Listed Bonds

Week Ended Aug. 3, 1936

| | Int. rate | Due | High | Low | Range 1936 High | Low |
|---|---|---|---|---|---|---|
| Mtl. L. H. & P. Debs. | 3 | '39 | 50¼ | 50¼ | 51¼ | 50 |

UNLISTED MINES (Continued)

| | Bid | Asked |
|---|---|---|
| Regal Kirk. | .44 | .46 |
| Ricard Ramour | .70 | .73 |
| Rice Lake | .06 | .08 |
| Richmac | .29 | .31 |
| Rubec | .17 | .18 |
| Sand River | .42 | .44 |
| Skookum | .35 | .38 |
| Smelter Gold | .06 | .08 |
| South Keora | .14 | .16 |
| Spooner | .25 | .27 |
| Springer | .14 | .18 |
| Stanley Gold | ... | .45 |
| Sturgeon R. Gold | .44 | .47 |
| Upper Can. | .32 | .34 |
| Wendigo | .25 | .27 |
| W. Red Lake | .24 | .26 |
| West Side L. | .22 | .24 |
| White Horse | .23 | .26 |
| Wilson R. Lake | .19 | .21 |
| Winoga | .32 | .35 |
| Young Davidson | .23 | .24 |
| Young Shannon | .17 | [illegible] |

**Week in Wheat**

# Undertone Still Strong Despite Some Reactions

## Dollar Wheat Now Considered Cheap — Board Continues to Sell Freely — European Markets Anxious About Supplies

From Our Own Correspondent

WINNIPEG.—Notwithstanding Chicago reactions generally regarded as technical, the world wheat market is generally believed to be steadily gaining underlying strength. Dollar wheat, once considered a goal, is now regarded as cheap.

Canadian Wheat Board daily sales are still large. A small trickle of new wheat is beginning to reach elevators, but not yet enough to provide any serious competition with Board offerings. The Board is believed to have disposed of practically all its cash wheat, and to be carrying all its commitments in futures. The demand for cash wheat of all grades keeps it at a premium over the October. Some speculative interest is being directed to the May contract, before spring supplies of Canadian wheat are expected to be down to low levels.

### *Liverpool Anxious*

AS BULLISH sentiment develops in world wheat markets it is found to centre largely in Liverpool. Not only are traders there impressed with the changed outlook for world wheat supplies due to the North American drought, but also by a certain feeling of alarm in Great Britain regarding the possibility of a food shortage.

Liverpool is also much impressed by the way in which Argentina continues to advance asking prices for wheat, evidently in no concern about finding a European outlet for surplus stocks during the remainder of the calendar year.

* * *

### *Staggering U. S. Corn Failure*

THE most important circumstance, so far as world grain markets are concerned, lies in the U. S. corn calamity. True, the wheat crop there this year was small, but at least it was sufficient for the actual needs of the country. The imports of Canadian wheat which have taken place are not so much a necessity as a matter of choice, since the country prefers hard wheat flour to soft. But the failure of the corn crop means an actual deficiency of feed for livestock.

Western Canada has had the loss of about 200 million bushels or so of wheat which might have been produced under better weather conditions. But the United States is facing the loss of 5 or 6 times that quantity of corn. A big corn crop may reach 3,000 million bushels, and 2,500 million bushels is only average. But estimates are now being made that the corn crop of 1936 may not exceed 1,500 million bushels.

* * *

### *World Feed Shortage*

THERE is no reserve of old corn, and months before a new harvest is due the United States is already importing Argentine corn in considerable quantity. That in turn lessens the quantity available for Great Britain and the continent, and threatens to create an increased demand, first for different feed grains and later for wheat. True, a somewhat similar situation in 1934 failed to produce the consequences in the grain market which were expected, but since that time there has been a great reduction in world food reserves.

* * *

### *No Russian Wheat*

THE British and continental trade has given up any idea of securing Russian wheat during the coming year. There are also doubts as to whether any Russian barley or rye will be available for export. Authentic reports are lacking as to the extent to which Russian spring wheat crops have suffered from drought, but it is suspected that the damage may have been very great. Russia may actually find herself short of requirements during the coming year. Much of Russia's wheat production is on land where the rainfall is normally small, and where a deficiency can cause failures as severe as those which the North American continent has suffered this year.

Pre-war Russian wheat exports have been as follows:

Russian Wheat Exports

| Year | Bushels |
|---|---|
| 1935 | 24,336,000 |
| 1934 | 7,780,000 |
| 1933 | 27,492,000 |
| 1932 | 20,242,000 |
| 1931 | 91,819,000 |
| 1930 | 92,994,000 |
| 1929 | nil |
| 1928 | 122,000 |
| 1927 | 28,251,000 |
| 1926 | 38,473,000 |
| 1925 | 14,508,000 |
| 1924 | 9,127,000 |
| 1923 | 12,235,000 |
| 1918-1922 | practically nil |

* * *

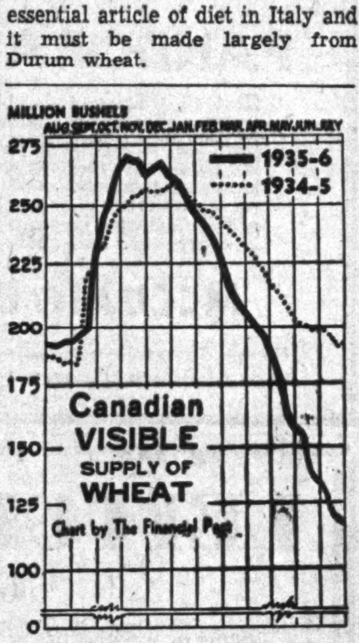
### *European Crops Short*

ITALY'S crop is already known to be far short of usual requirements. Germany's was expected to be good, and France's was thought to be almost sufficient, along with the carryover from recent years. But in both of the latter countries there is now fear of serious loss of quantity as well as impairment of quality because of a wet harvest.

* * *

### *Durum Soars*

DURUM wheat continues to maintain a high premium at Winnipeg over standard varieties of wheat. Enquiries have recently been made on Italian account for shipments from Canada, but practically all old supplies of Durum have been absorbed for account of United States macaroni manufacturers, although, of course, reshipment to Italy if the demand is pressing enough is theoretically possible. It had been expected the United States demand would absorb all the new crop Durum as rapidly as it comes on the market, and that the Americans would outbid the Italians for every available bushel of such wheat. But in case of a shortage it is quite possible for the Italian demand to be more insistent. Macaroni is not an occasional but an essential article of diet in Italy and it must be made largely from Durum wheat.



### *BELOW 120 MILLIONS*

Canada ended the crop year last week (July 31) with the wheat in visible positions below 119 million bushels which was a decrease of about 75 million bushels from the same period a year ago.

Export clearances of almost 6 million bushels were more than sufficient to have pushed the visible figure well below the expected 115 million mark but while this old grain was moving out of the country the new 1936 crop started coming in. This unusually early delivery, of course, was due to the drought hastening maturity. Farmers attracted by recently higher prices and faced with a shortage of cash soon commenced converting this new wheat into money.

Details in bushels are as follows:

Canadian Visible

| Week of July 31 | Week Previous | Last Year |
|---|---|---|
| 118,772,000 | 119,762,000 | 197,316,000 |
| Export Clearances* | | |
| 5,750,461 | 4,380,603 | 1,879,865 |

*Plus U. S. imports.

Grand total carryover at the end of the 1935 crop year amounted to almost 215 million bushels. This included all wheat in visible or marketable positions in Canada and Canadian wheat in United States and also Canadian wheat in transit here, in eastern mills and in farmers' hands. These three items are expected to amount to about 7 million bushels this year so that if such an amount is added to the present visible the two carryovers would show as follows:

| July 31, 1936 (bus.) | July 31, 1935 (bus.) |
|---|---|
| 125,772,000 | 214,977,552 |

Carryover at the end of the crop year for the last 10 years with an estimate for 1936, has been as follows:

Canadian Wheat Carry-over
(000's omitted)

| July 31: | In Canada (bus.) | In U.S.A. (bus.) | Gr. Total (bus.) |
|---|---|---|---|
| 1927 | 50,786 | 4,389 | 55,175 |
| 1928 | 77,547 | 13,604 | 91,151 |
| 1929 | 103,749 | 24,067 | 127,816 |
| 1930 | 111,094 | 16,686 | 127,781 |
| 1931 | 134,078 | 6,798 | 140,877 |
| 1932 | 131,844 | 5,888 | 137,733 |
| 1933 | 211,759 | 7,688 | 219,447 |
| 1934 | 193,990 | 9,954 | 203,944 |
| 1935 | 203,273 | 11,704 | 214,977 |
| 1936 | ...... | ..... | 125,772 |

DIVIDEND NOTICES

The Canadian Bank of Commerce
Dividend No. 198

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1936, and that the same will be payable at the Bank and its Branches on and after Tuesday, 1st September next, to shareholders of record at the close of business on the 31st July, 1936. The Transfer Books will not be closed. By Order of the Board,

S. H. LOGAN,
General Manager.

Toronto, 24th July, 1936.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Common Stock Dividend No. 28

NOTICE IS HEREBY GIVEN that a dividend of 20 cents per share, being at the rate of 80 cents per share per annum, has been declared on the no par value Common Stock of McColl-Frontenac Oil Company, Limited, for the Quarter ending August 15th, 1936, payable September 15th, 1936, to shareholders of record at the close of business on August 15th, 1936.

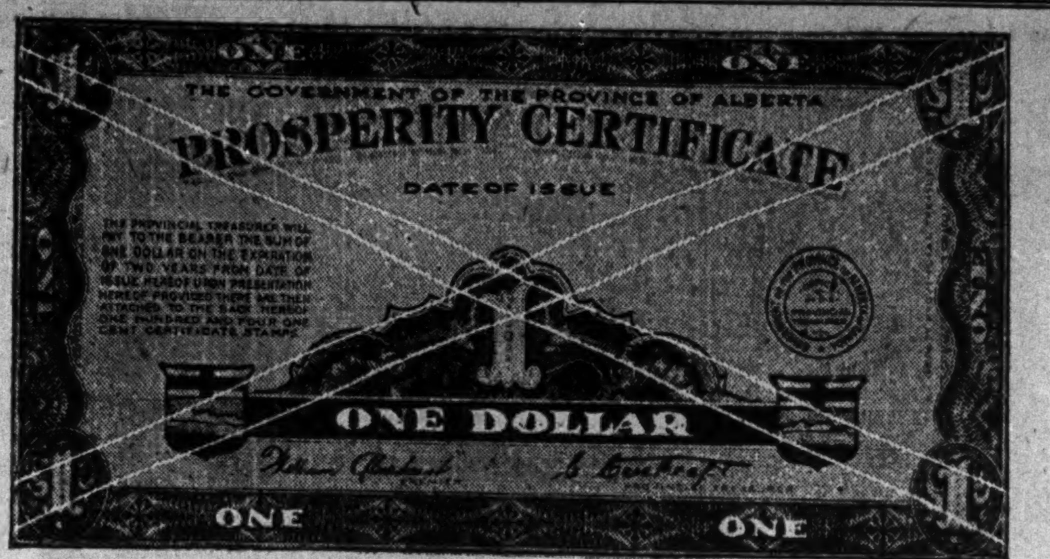
By Order of the Board,
FRED HUNT,
Secretary.

August 3rd, 1936.

Borden's
COMMON DIVIDEND
No. 106

A quarterly dividend of forty cents (40¢) per share has been declared on the outstanding common stock of this Company, payable September 1, 1936, to stockholders of record at the close of business August 15, 1936. Checks will be mailed.

The Borden Company
E. L. NOETZEL, Treasurer


ONE ONE
THE GOVERNMENT OF THE PROVINCE OF ALBERTA
PROSPERITY CERTIFICATE
DATE OF ISSUE
THE PROVINCIAL TREASURER WILL PAY TO THE BEARER THE SUM OF ONE DOLLAR ON THE EXPIRATION OF TWO YEARS FROM DATE OF ISSUE HEREOF UPON PRESENTATION HEREOF PROVIDED THERE ARE THEN ATTACHED TO THE BACK HEREOF ONE HUNDRED AND FOUR ONE CENT CERTIFICATE STAMPS
1
ONE DOLLAR
ONE ONE

### *ALBERTA'S NEW "CREDIT MONEY"*

| | | |
|---|---|---|
| ALBERTA 1 CENT | AUG 19 1936 | AUG 26 1936 |
| NOV 25 1936 | DEC 2 1936 | DEC 9 1936 |
| MAR 10 1937 | MAR 17 1937 | MAR 24 1937 |
| JUNE 23 1937 | JUNE 30 1937 | JULY 7 1937 |

Here is shown the face of the new scrip issued by the government of Premier William Aberhart of Alberta, who has announced that its distribution, in payment of road workers' wages and as part payment of some government salaries and other obligations in the province, was to begin late this week.

The scrip, the issue of which totals $500,000, is in $1 denomination. On the reverse side, of which a section is shown at right, are 104 dated spaces. As each date is reached, a one-cent stamp must be affixed to that space. At the end of 2 years, when all spaces are filled, the scrip is to be redeemed at face value by the government.

The certificates closely resemble the small Canadian one dollar bill, but it will be noted that the word "dollar" is omitted after the figure 1. Lithographed on bank note paper, the background is green, the lettering is printed in black ink while the serial numbers are printed in red.

Hundreds of thousands of special stamps are also being lithographed. The stamps are printed on a green background and will be perforated ready for attachment to the certificates.

Workers on road projects will be paid in certificates 50% of their wages earned since July 2. The balance will be retained by the government until work is discontinued when the balance will be paid in equal monthly payments

A list of 79 Alberta wholesale and manufacturing firms willing to accept certificates and a list of agents who will sell stamps to be attached to the certificates has been released by the government.

# Social Credit Covenant Awakens Alberta Critics

## Dividends Not To Be Confused With Scrip — Payment Date Unannounced

### POLITICAL STRATEGY?

From Our Own Correspondent

EDMONTON. — Alberta's long-awaited new bottle of economic medicine labelled "Social Credit" sat out on the front shelves of this province's politico-financial experimental laboratory this week, while Premier William Aberhart and his assistants proclaimed it a practically sure cure for economic ills and invited citizens to have it tried out on them.

The label on the bottle detailed symptoms of the maladies which Social Credit is to cure, but it did not explain the results that could be expected. Its "directions for taking," however, left a large section of Alberta's citizenry muttering.

**Dividends of How Much**

Basic dividends were promised, anew. But there was no mention of the size of these dividends — there was no mention of $25 a month as pledged before the election, or of the $75 which Mr. Aberhart said, a couple of days before the election last August, "I wouldn't be surprised if we could pay instead of $25."

Instead, there was the out-of-school announcement by Premier Aberhart that, due to the drought situation, the size of the dividends "might be smaller." And this was followed by his statement that, also due to the drought, payment of the dividend might be delayed beyond the date he had set the week before: March 1. As a background for these announcements was the statement made by Hon. Dr. W. W. Cross, minister in charge of relief, to a delegation of unemployed, and not meant at the time to be quoted, that "in 6 months you'll be getting a dividend of $5 a month."

**Registration Essential**

During the election campaign and during the spring's legislature session, the Aberhart party declared that "every bona fide citizen" would be paid a basic dividend.

But the past week has brought forth the announcement that every individual must apply for the basic dividend, and that in his application he must sign a covenant and fill out a questionnaire, answering intimate details of his financial status, his family and his state of health. Sets of companion covenants and questionnaires are to be presented to every farmer and producer, every wholesaler, every retailer, and every manufacturer, and each citizen in these classes must sign the documents assigned to his category as well as the individual undertakings.

A storm of protest against the terms of these covenants rose immediately. In Edmonton, a league of dissenters against signing these documents was organized on a non-political basis, its object being to protect from feared governmental persecution those who refused to sign the covenant because of their belief that, by signing the ambiguous and indefinitely-phrased document, they might be committing themselves for more than they intended.

**Party Dissenters**

The day after publication of the first covenant, too, the first Social Credit group in Edmonton to rebel against the government expressed condemnation of the "autocracy and Fascism" of the Aberhart government. It went on record as pledging support to S. A. G. Barnes, Edmonton member of the legislature, who had been read out of the Social Credit party by a legislative caucus the previous week as a result of his public criticism of Aberhart.

Meantime, however, the government went ahead with its plan for registration of citizens under this system. The Social Credit members of the legislature are in charge of the work in their own ridings and are appointing sub-supervisors.

There is grave doubt in many quarters that this sudden move for registration of citizens is more than political strategy. It certainly was planned and launched by Premier Aberhart within a week after he learned that a section of his party following was plotting to oust him from office, and his move has succeeded in preventing others than Mr. Barnes from rebelling against him publicly.

Through Hon. E. C. Manning, as provincial secretary and minister of trade and industry, the government has announced that the Social Credit plan is now complete, and it remains for citizens themselves to accept it or reject it. There still is no announcement, however, as to the approximate amount or the date of inauguration of dividends.

**"Merely Book Entries"**

The dividends, said Mr. Manning, will be "merely book entries" and will not be in the form of scrip, although use of that system had been expected because the first plans of scrip and dividends, as presented to the caucus, were merged as one.

"The citizen," said Mr. Manning, "would be given a passbook and a cheque book. When a cheque was issued, it would not be negotiable but would go to the state credit house for a transfer of credit according to the terms of the cheque. There would be merely a book entry."

Thus he defined the phrase "Alberta credit," used in the covenants and in the questionnaires being issued by the government as the basis of qualification for dividends.

**Terms of Covenant**

In the covenant drafted for individuals, and to be signed by all who apply this month for dividends whenever they are issued, these are the pledges to be undertaken:

"I, ......, hereby covenant, promise and agree as follows—

"To co-operate most heartily with the Alberta government and with my fellow citizens of the Province of Alberta in providing food, clothing and shelter for every one of us.

"To work whenever possible and to accept my remuneration in Alberta credit as far as I can reasonably do so. In the event of receiving the whole or the greater part of my income in Canadian currency, I shall exchange as much of it as is convenient for Alberta credit.

"To make no claim or demand, at any time, for payment in Canadian currency of Alberta credit held by me.

"To tender no Alberta credit in payment of provincial taxes, fines, licenses, royalties, etc., until such time as the Alberta government shall be able to accept all or part on the taxes, etc.

"In return for my agreement, I understand that the Alberta government covenants and agrees as follows—

"To establish, as early as possible and maintain a just rate of wages with reasonable hours of labor.

"To grant interest-free loans in Alberta credit, on such terms and security as shall be mutually agreed upon not exceeding 2% for administration charges, for the building of a home or the establishment of the registered citizen in his own enterprise if conducive to the economic requirements of the province.

"To give monthly dividends to all registered Alberta citizens and to increase the same as the total production of the province will allow.

"To redeem, when possible, Alberta credit with Canadian currency for the purpose of allowing the member to take up residence outside the province or for other essential requirements."

**More Questionnaires**

In addition, there is a separate covenant for farmers and producers, and for wholesalers, retailers and manufacturers. And, on top of all this, there are questionnaires for the different classes of businessmen and for the individual, requiring answers to a lengthy list of queries.

Many leading citizens of Edmonton have already voiced condemnation of these covenants and questionnaires as "hocus-pokus, meaningless, political fog." They have pointed to the clause demanding co-operation with the government "most heartily" and have questioned whether, after all, this means that every applicant for a dividend must become a Social Crediter politically and whether he will lose his promised dividend if he ventures to voice criticism of the government at any time.

They have raised the question, too, of the meaning of "Alberta credit." Undefined in the covenant, this phrase may easily be construed later as including scrip, provincial bonds and saving certificates. By signing the covenant the individual may find that he has signed away his right to collect cash in government payment of these obligations, the critics warn.

**Talk of Manufacturing**

Meantime, the government has announced a policy of industrialization of Alberta, with the avowed intention of cutting off "imports" from eastern Canada. Boots and shoes, binder twine, clothing and brooms, as Alberta-made products are among first objectives, it is stated, and Premier Aberhart has given indication that his government will undertake to assist Alberta companies which open plants here for manufacture of those goods.

But, at the same time, Premier Aberhart finds his government facing a financial puzzle. Despite arbitrary halving of interest rates on provincial bonds, the province is so short of money that it had to abandon, for this year, efforts to complete the Edmonton-Jasper highway as an all-gravel road.

Other road projects, however, are declared to be continuing, financed by scrip. First distribution of this scrip as wages was scheduled to be made late this week, and at the same time the government claimed high hopes of realizing some ready money through sale of pieces of the scrip far and wide through Canada and in many other countries, as souvenirs.

## Steel Co. of Canada Sales Gain More Than Profit

Ross H. McMaster, president of the Steel Co. of Canada, informs shareholders in a letter accompanying current dividend cheques that sales have shown a moderate increase this year, but that profits are only slightly better than last year. He comments:

"Sales for the half year ended June 30, showed a moderate gain over the same period of the previous year. The profits realized were only slightly better due to the continuation of the wage bonus and higher costs of raw materials which, coupled with the increased income tax, reduced the margin per unit. Current business closely parallels last year's sales and much will depend upon the turn of crop conditions.

"Our sales prices have not followed the advances in the U. S. and other markets due to an endeavor to encourage consumption and an increased volume of employment by a policy of stable prices."

**H. Paulin and Co.**, makers of automotive products, Toronto, are starting production of a gas producing machine, operations being carried on under the name of Universal Gas Machine Co. The equipment will be used in rural areas or small communities in which no gas supply is otherwise obtainable for domestic or commercial use.

# Larger Outlet For Livestock Farming Need

## Canada Packers Head Urges Stepping Up Hog Production

### WIDER CATTLE MART

Two steps toward more profitable Canadian agriculture are suggested by J. S. McLean, president, Canada Packers Ltd. in his annual report to shareholders of that company.

1.—Turn more of our wheat and grain production into hogs.

2.—Secure a larger cattle quota and other more favorable returns from United States.

**Bacon Market Neglected**

Ever since the Ottawa agreements over 4 years ago, points out Mr. McLean, there has existed in Great Britain a market for over a million more hogs than Canada has actually shipped in the form of bacon. At the same time over most of the period has apparently existed a surplus of wheat. Had this been transformed at the rate of 16 bushels per 200 pound hog into bacon, this could have been sold in the neighborhood of 85 cents per bushel. In this way a block of 20 million bushels of wheat would have been lifted off the Canadian market every year and at a higher profitable price.

**Could Establish Market**

"Under the Ottawa agreement," states Mr. McLean, "Canada was given a quota of 2.5 million hogs. In 1935 Canada's shipments amounted to only one-half this quota. And in 1936 shipments will probably not exceed 1.5 million.

"This is a great misfortune. If the quota had been filled a large profit would have been made upon the extra hogs. But a more important consideration still is that Canada would have become established upon that basis in the British market. The Ottawa agreements expire in 1937. Preliminary conversations are now being held looking toward their renewal. Final negotiations will take place a year from now. It is of the greatest importance that shipments during the coming year should be as near the quota as possible. Unfortunately in most parts of Canada, oats and barley—the grains from which hogs are chiefly produced—are a poor crop. In the past a failure in these crops has been followed by a decline in hog production.

"In view of the pending negotiations such a decline this year would be a calamity. It is of the greatest importance that these facts should be clearly understood by farmers, and that they should be urged to increase the production of hogs. This will mean feeding other grains, especially wheat. But in spite of the advanced price of wheat there will still be a profit in the operation."

**Cattle Solution**

Cattle prices during the past year, states Mr. McLean, have been lower than previously despite a new outlet for Canadian stock into United States following the new treaty last January. But had not that country been partially opened by a quota of approximately 155,000 head Mr. McLean thinks the prices would have fallen still further.

"The permanent solution of Canada's cattle problem" he says, "is to secure better terms from United States. Probably that country will never again open its borders to unrestricted shipments of Canadian cattle. A quota seems henceforth inevitable. But the quota should be more liberal than the present one. Canada's surplus of cattle is about 200,000 per year, and such a quota could easily be absorbed in United States, as it would be equivalent to only about 1% of the total cattle marketed in that country.

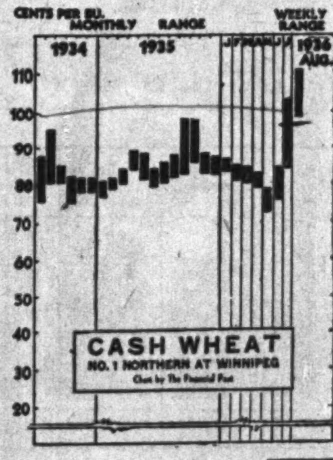
**Wipe Out U. S. Duty**

"But more important still is the rate of duty. If it is agreed that a certain number of cattle should be shipped, it makes no difference to the American producer what duty, or whether any duty is imposed. The arrangement which would best meet the Canadian requirements would be a quota of 200,000 cattle admitted without duty.

In order to take advantage of the various and changing forms in which agricultural products must be marketed, the head of Canada Packers comes to the conclusion that some form of agricultural planning is necessary. But with 700,000 individual farmers, upon each of whom the ultimate decision rests, he admits that to direct or divert production even to a slight extent is a problem confronted by the greatest difficulties.

"Perhaps it would be worth while to add to the existing multitude of farm bodies an agricultural advisory council," suggests Mr. McLean. Its membership might consist of 3 or 4 representative farmers, and an equal number of persons most familiar with the problems of marketing Canada's chief crops. The chairman might be the federal minister or deputy minister of agriculture. Such a body meeting 3 or 4 times a year to review the broad problems of agricultural marketing might, by its recommendations, eventually gain the confidence and attention of the farmers and become the medium through which individual farm production would be adjusted to national outlets."

# Wheat Prices



(Cash Quotations)

| | For Week Aug. 4 High $ | For Week Aug. 4 Low $ | Prev. Week High $ | Prev. Week Low $ |
|---|---|---|---|---|
| At Winnipeg: | | | | |
| 1 Man. Hard ... | 1.10⅛ | .99⅛ | .96⅞ | .93¾ |
| 1 Northern ..... | 1.10 | .96¾ | .96⅝ | .92¾ |
| 2 Northern ..... | 1.06¼ | .97⅝ | .94⅞ | .91¾ |
| 3 Northern ..... | 1.04¾ | .94⅝ | .91⅝ | .88¼ |
| 4 Northern ..... | .99¾ | .89⅝ | .87⅛ | .82⅝ |
| 5 Wheat ......... | .92¾ | .83⅞ | .80⅝ | .75¾ |
| 6 Wheat ......... | .89¾ | .81⅛ | .78⅝ | .74¼ |
| Feed Wheat .... | .72¾ | .64⅝ | .64⅝ | .61⅛ |
| Vancouver: Week to July 31: | | | | |
| 1 Northern ..... | 1.01⅝ | .93⅝ | .92¼ | .90¼ |

Competitive Export Prices:
(July-Aug.) shipment.

| | High | Low |
|---|---|---|
| | Week to July 31 | |
| No. 1 North. (Vanc.) ... | 1.17⅝ | 1.08⅝ |
| No. 2 North. (Atlan.) ... | 1.15⅛ | 1.07¼ |
| No. 2 North. (Vanc.) ... | 1.14⅝ | 1.07¼ |
| Hungarian* ........... | 1.03¼ | .95⅝ |
| Australian (Afloat) .... | unquoted | |
| Australian‡ ........... | 1.12¾ | 1.06⅛ |

*Old and new crop, July-Aug. shipment.
‡Aug.-Sept.

### Winnipeg Grain Futures

Week to Aug. 4, 1936

| Crop year from Aug. 1, 1935 High | Crop year from Aug. 1, 1935 Low | | Open July 29 | High for week | Low for week | Close Aug. 4 |
|---|---|---|---|---|---|---|
| | | Wheat | | | | |
| 1.03¼ | .73¼ | July ........ | .96¾ | 1.03¼ | .96¾ | ..... |
| 1.06 | .74⅝ | Oct. ........ | .96½ | 1.06 | .95½ | 1.04⅛ |
| 1.06⅜ | .76½ | Dec. ........ | .96¾ | 1.06⅜ | .95¾ | 1.03 |
| 1.08½ | 1.01½ | May ........ | ..... | 1.08½ | 1.01½ | 1.03⅛ |
| | | Oats | | | | |
| .48½ | .30 | July ........ | .45¾ | .48⅛ | .45¾ | ..... |
| .49⅝ | .29¾ | Oct. ........ | .44 | .49⅝ | .44 | .47⅛ |
| .48¼ | .28¼ | Dec. ........ | .42 | .48¼ | .42 | .45 |
| .71¼ | .46⅛ | May ........ | ..... | .71¼ | .46⅛ | .46⅛ |
| | | Barley | | | | |
| .58⅝ | .35⅝ | July ........ | .54¾ | .58⅝ | .54¾ | ..... |
| .62½ | .34⅝ | Oct. ........ | .51½ | .62½ | .51½ | .59¾ |
| .60½ | .33 | Dec. ........ | .51¼ | .60½ | .50⅞ | .57⅛ |
| .60⅞ | .38¼ | May ........ | ..... | .60⅞ | .58¼ | .58⅝ |
| | | Flax | | | | |
| 1.75¾ | 1.40¼ | July ........ | 1.70 | 1.75¾ | 1.74 | ..... |
| 1.85 | 1.37½ | Oct. ........ | 1.69½ | 1.85 | 1.69½ | 1.83¾ |
| 1.82½ | 1.40⅛ | Dec. ........ | 1.68¾ | 1.82½ | 1.67½ | 1.81⅛ |
| | | Rye | | | | |
| .86⅛ | .39⅛ | July ........ | .60⅞ | .86⅛ | .60⅞ | ..... |
| .70¼ | .41⅛ | Oct. ........ | .60¼ | .70¼ | .60½ | .66⅝ |
| .70 | .42 | Dec. ........ | .60⅛ | .70 | .60⅛ | .66⅞ |
| .71⅝ | .67⅝ | May ........ | ..... | .71⅝ | .67⅝ | .68⅝ |

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**The Week in Mining**

# Bullish Air Continues To Keep Market Aloft

## Prolonged Boom Kept Going by Favorable Property Reports and Enthusiasm

There appears to be no abatement in the enthusiasm and optimism which is behind the summer's mining boom on Canadian exchanges. July action on the Toronto Stock Exchange at 33,590,445 shares was surpassed only by July, 1933. Comparison of volume and value of transactions in June and July show that in the latter month individual prices of listed stocks were higher.

This bullish sentiment could not have lasted as long as it has were it not for the fact that news from the north has, this summer, been unusually favorable. Opinion seems to be fairly evenly divided among market observers as to how long the present tempo of activity can last. Up to date, the bouquets seem to be going to those who, early this year, predicted a boom market all summer.

It is inevitable that this activity should have produced the usual crop of charlatans, capitalizing on public enthusiasm in mining. These men have a large field to work on. A large majority of those interested in the market today have little or no knowledge of mining, even in a geographical way. Such men provide an easy prey for the market salesman, and it is not uncommon to find a layman with a comparatively large interest in mining properties, completely ignorant as to whether the property is in Ontario, Quebec, or even British Columbia.

In times like these, a thorough knowledge of the proposition offered becomes 10 times more important than in times of lagging mining activity.

### *Option Publicity*

IN DISCUSSING options in a recent issue, The Financial Post stated that most Canadian stock exchanges made public all option terms granted by listed companies. Further investigation reveals the rather amazing fact that the Toronto Stock Exchange is the only one which has put this sane policy into practice.

Although this is rather a recent development in Toronto, it is difficult to understand why the policy has not spread more rapidly to other exchanges. At the time the Toronto exchange was planning such a policy, it was argued in some quarters that the publication of option terms was not in the best interests of the company, i.e., the shareholders. It was claimed by those opposed to such publicity that the public would lose confidence, if it were known that stock selling on the market for $1 had only netted the treasury, say 75 cents. The public, these men claimed, were incapable of grasping the fact that it cost money to place an issue, and that the underwriter was entitled to a just commission for his efforts.

However, the experience in Toronto has served to indicate that the public are not quite so unreasonable. Every day they are buying articles at retail prices knowing that the actual producer received only a portion of this price. It is not surprising that they expect the same theory in purchasing mining stocks. In any event, the policy has been in effect in Toronto for a year or so, and Toronto still remains the centre of Canadian mining finance. It is altogether probable that the publication of option terms has done infinitely more good than harm.

* * *

### *Inco Dividend Up Again*

THE highest quarterly dividend paid since the merger with Mond Nickel Co. has been declared by International Nickel Co. of Canada, with the payment due September 30. On that date shareholders will receive disbursements of 35 cents per share.

This increase is part of a steady trend with Inco. In August, 1934, the rate was raised from 10 to 15 cents per quarter. Last August the rate was again increased from 15 to 20 cents. Six months ago, this was again boosted to 25 cents per share, and, in the preceding quarter, to 30 cents per share.

The present rate of 35 cents per share puts Inco on a yearly basis of $1.40 per share.

* * *

### *Mercury in B. C.*

A REPORT from the Vancouver correspondent of The Financial Post states that Manitou Mining Co. intend working the cinnabar showings at Mud Creek, north of Bridge River, for the production of mercury, or quicksilver.

If this attempt is brought to a successful conclusion it might well be of considerable significance to Canadian mining, as other deposits of this metal are known to exist in the Dominion.

No Canadian production of new mercury has been reported since 1897. Prior to that time, a small output of quicksilver was made from a British Columbia property on the north shores of Kamloops Lake. At the present time, principal producers of mercury are Italy, Spain, United States, Mexico and Czechoslovakia. Within the Empire, Australia and New Zealand are at present the only commercial producers, and this in a small way.

The importance of developing Canadian quicksilver is enhanced by the fact that recently new uses have been found for it, thereby increasing demand, and by the fact United States sources are believed to be nearing depletion.

Some years ago, indications of mercury deposits were reported from Trill and Drury Twps. in the Sudbury district. Cinnabar, the ore carrying mercury, has been found in 4 areas in British Columbia.

## Walz Report Favorable On Sladen Malartic Gold

In a report on the property of Sladen Malartic Mines, Quebec gold prospect, Andrew Walz, consulting engineer, stresses the potential importance of the East Sladen group, about 3 miles east of the main shaft. This discovery is now about 300 ft. long, showing free gold at all points where cut, and it is evident that a length of at least 500 ft. can be expected, Mr. Walz states.

Interesting information can be looked forward to from current developments on the Sladen, both in the shaft and on the east group, Mr. Walz states, in view of the underground work now approaching the ore body and the drilling results which will presently be available from the east group.

## *O'Brien Drilling Its Cline Option*

From Our Own Correspondent

SUDBURY.—Advices from the Goudreau area are to the effect that diamond drilling has been commenced by O'Brien Gold Mines on the Cline property, which the company recently took under option. Dr. W. S. Dyer, chief field engineer for O'Brien, is in charge of operations.

The main vein series on the Cline, where earlier work showed much encouragement, is being sampled extensively on surface and with this information together with results obtained from the current drilling programme, the future of the property should soon be known.

The majority of the material for the Cline is going in from Lochalsh on the C. P. R. Work on the Goudreau roads has been started and will give the Cline access to the Algoma Central Railway as well as the C. P. R.

## Homestead Oil Brings In No. 1

### Believe Second Well in Texas Nearing Its Objective

Homestead Oil & Gas Co. inform The Financial Post that the No. 1 well in Upton County, Texas, has just been brought in. Walter E. Hurd, president, states tests indicate the well will make a substantial producer. Tankage has been purchased and arrangements are being made for pipe-line connections.

Homestead's second well in Upton County is nearing its objective, and is now making oil.

## McMillan Sells Stock Obviates $10,000 Loan

From Our Own Correspondent

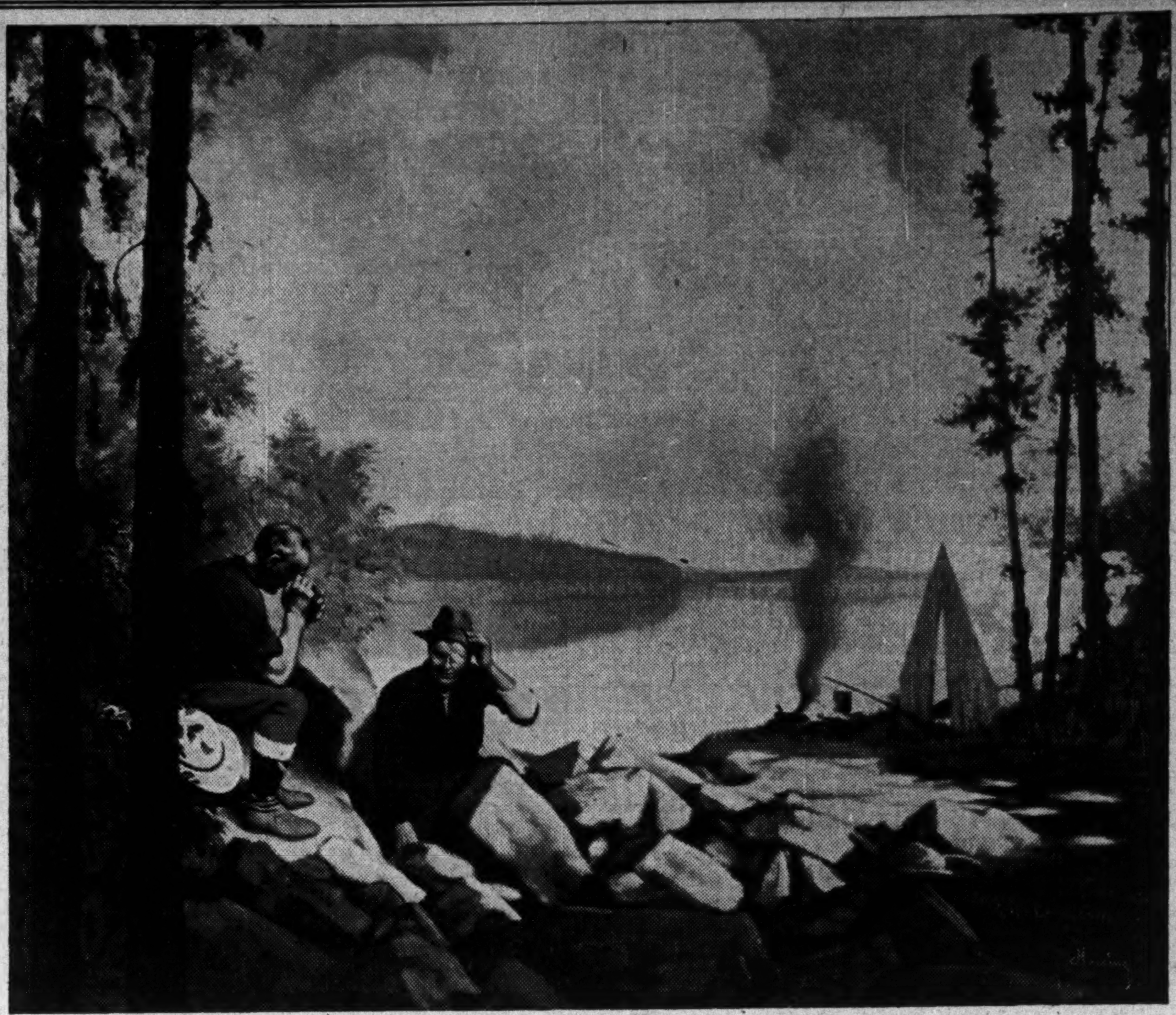
SUDBURY. — Disposing of the necessity for floating the proposed loan of $10,000 to finance its diamond drilling programme, McMillan Gold Mines Limited announces that the company has sold a block of 100,000 shares at 10 cents per share and the money has been paid into the McMillan treasury.

Early in July, at a special meeting of shareholders, approval was given to a proposal of G. A. Foot and his associates to reopen the mine and institute a new programme of diamond drilling, the work to be financed by a loan of $10,000 on security of the company's assets. At the same time the shareholders assented to the sale of 100,000 shares of treasury stock at 10 cents per share, the proceeds to be used for retiring the proposed loan. As the shares have now been sold and paid for, there is no need of the loan.

The drilling was commenced two weeks ago, the first hole intersecting the main vein and showing good width. The drilling is being done from the 875-ft. level.

**Meridian Foresees Higher Grade**

Meridian Mining Co. expects to be operating in better grade ore this month, having wound up most of the handling of the ore body remnants in the Criterion workings. A. K. McLean, secretary, says the company will soon be operating on the Eva section in British Columbia.



*FAMOUS ARTIST PAINTS FAMOUS MINE-FINDER*

Arthur Heming, world-famed painter of Canada's northland, has just completed this picture of Robert J. Jowsey discovering gold at God's Lake. The canvas, done in oils, is at once a fine midsummer landscape of typical mining country and a portrait of "Bob" Jowsey and one of his prospectors.

It is typical of the warm-hearted generosity of Mr. Jowsey that he should have insisted upon his prospector's name going on the label of the portrait, which reads "Robert J. Jowsey and Archie MacDonald Discovering Gold at God's Lake, July 13th, 1932."

And it is typical of his retiring modesty that in the portrait he should have had himself shown, not full face toward the artist, but half-hidden studying a tiny piece of gold-bearing rock through the magnifying glass.

Arthur Heming, the artist, has spent a large part of his life travelling through Canada's frontier areas, having taken 46 trips by canoe, pack train, timber raft, prairie schooner and other modes of transportation to paint and write about Canada's forests and their wild life.

It is likely that the canvas will be exhibited in the fall.

## Trading Starts In May-Spiers

### Company in Red Lake Shows Healthy Working Capital

Listing application of May-Spiers Gold Mines with the property in the Red Lake District of Ontario has been approved by the Toronto Stock Exchange and trading started July 24, 1936. The company has an authorized capitalization of 3 million shares $1 par value. Of this amount 1 million shares were issued to May-Spiers Gold Mining Syndicate for the property. In addition, 1,195,422 shares were sold for cash up to and including June 30, 1936. This leaves 804,578 shares left in the treasury.

Under the agreement dated December 9, 1935 and May 19, 1936 there remain underwritten 285,334 shares for which payments are to be made as follows:

35,334 shares at 30 cents a share by March 1, 1937; 100,000 shares at 35 cents a share by April 1, 1937; 100,000 shares at 40 cents per share by May 1, 1937 and 50,000 shares at 45 cents per share by June 1, 1937.

Under an agreement dated May 11, 1936 an option was given on 454,578 shares at 50 cents per share of which 54,578 shares may be taken up on or before July 1, 1937; 100,000 on or before August 1, 1937; 100,000 on or before September 1, 1937; 100,000 on or before October 1, 1937 and 100,000 on or before November 1, 1937.

The vendor stock is held in pool until the present company has been in production for a period of 6 months unless earlier released by the underwriter, the Ontario Securities Commission and The Toronto Stock Exchange.

The company is sinking a shaft which, at the date of the application was down about 200 ft.

The balance sheet as at June 30, 1936, shows current assets totalling $112,265. Of this amount a bank balance accounts for over $98,000. Current liabilities comprising accounts payable only are shown at $902.

**High Grade or Matte?**

B. C. Nickel is considering whether it should continue to ship high grade ore or send concentrates or matte instead. A good deal will depend on prices obtainable.

## Current Chatter From B. C.

From Our Own Correspondent

VANCOUVER.—Bralorne is developing what virtually amounts to a new mine in its Shaft vein, according to Manager R. Bosustow.

Ore running about 400 ft. is averaging about 3 ft. in width and showing .40 gold per ton.

Mr. Bosustow believes that during the second half of the present year production costs at Bralorne should be considerably less than the first 6 months, and that the grade of ore handled should be definitely superior.

* * *

**Congress Installs Plant**

Permanent mining equipment will be installed by Congress Gold Mines, and a systematic development programme has been decided on.

* * *

**Road to Big Missouri**

Survey of the new road leading to Big Missouri is now being made, preliminary to the development of the northern B.C. property by Consolidated Mining & Smelting Co. The company so far has made no decision as to the size of the mill to be ultimately built.

* * *

**Wayside Mill at 180 Tons**

Wayside Mine is operating its mill on a basis of approximately 180 tons daily, chiefly on low grade ore, while development work is said to be proceeding satisfactorily.

## Falcon Gold Mines Shaft Down 100 ft.

From Our Own Correspondent

SUDBURY.—The shaft at the Falcon Gold Mines in Falconbridge township has now reached a depth of over 100 ft., and a station is being cut at the 100-ft. level. The work of deepening the existing shaft was commenced July 17 after installation of a new Diesel engine and 600 cu. ft. compressor, and rapid progress is now being made. It is planned to continue the shaft immediately to the 200-ft. level, cut the station at that horizon and then develop both the 100-ft. and 200-ft. levels simultaneously. The shaft should be completed about August 20 when drifting to the ore zone indicated by diamond drilling will be commenced. As the ore zone is but a short distance from the shaft, the first information on the grade, width and character of the ore should be available in a month or so.

## Outline Veins At Split Lake

### Much Work Accomplished Since Find Made Last Year

From Our Own Correspondent

WINNIPEG, Man. — Possibility of developing a mine of importance at the property of Split Lake Mines is growing brighter according to Hugh C. McRae, who was in Winnipeg investigating current gold mining development in Manitoba.

Split Lake's property lies about 12 miles east of Sioux Lookout and a short distance south of the main line east of the C.N.R. Since the discovery was made about a year ago considerable work has been done on the property and a 3-compartment shaft is now well on its way to an immediate objective of 350 ft.

Four new veins besides the original discovery vein have been traced in surface exploration and diamond drills have intersected at least 3 more, said Mr. McRae.

The shaft is now down 225 ft. and 2 stations have been cut, one at 100 ft. and one at 225. Lateral work is not being continued, however, until the shaft has reached its 350 ft. objective. At that time development will proceed simultaneously on 3 levels.

**Mercury in B. C.**

C. P. Riel, president and general manager of Manitou Mining Co., which recently took over 37 claims covering the cinnabar ore showings at Mud Creek, north of Bridge River, is hoping to bring about important development of mercury production. There is a strong demand for mercury, and prices are said to be advancing. The market on this coast is centralized in San Francisco, where the expectation is held that prices will treble during the next few years, in which event the British Columbia property might become an important factor in coast production.

## Perron Grade Ranges From $7 to $27.50

Reporting on operations at Perron Gold Mines for the two-week period July 1 to 15, J. P. Norrie, general manager, states that underground work during this period was confined to stoping and stope preparation on both levels of the mine, and diamond drilling, to develop the extension of known veins. Production from the various stopes ranges in value per ton from $7 to $27.30. The mill was operated on 2,338 tons, being an average daily tonnage of 155.58 and a production of 655.47 oz. gold.

## Trade Laguna On Exchange

Stock of Laguna Gold Mines has been listed on the mining section of The Toronto Stock Exchange, trading having started Aug. 4.

Laguna, which is a subsidiary of Mining Corporation, has property in The Pas district of northern Manitoba, which is being prepared for production. A 50-ton daily capacity mill has been installed. Six levels have been established to 750 ft., and, the listing application shows, ore reserves have been estimated at 35,116 tons. It is planned to sink the main shaft to establish 2 new levels at 875 and 1,000 ft.

Laguna has an authorized capitalization of 3 million shares, $1 par. Of this amount, 1,517,000 shares have been issued for the properties, and 1,200,005 issued for cash, leaving 282,995 in the treasury. Stock issued for cash has been at prices ranging from 20 cents to 50 cents per share.

The balance sheet as at July 23, 1936, shows current assets of $93,578 against current liabilities of $269,021. Of the current liabilities, $242,306 constitutes the amount owing to Mining Corp. of Canada. The latter has agreed not to press for payment of this amount until it is obtainable from the proceeds of treasury shares or from production.

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We have prepared a circular on the above property, which may be had on request.
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The Toronto Stock Exchange
Winnipeg Grain Exchange
Chicago Board of Trade
New York Curb (Assoc.)
Montreal Stock Exchange
Montreal Curb Market
Commodity Exchange Inc.
Canadian Commodity Exchange Inc.

PANDORA-CADILLAC
BOUSCADILLAC
Occupying central positions in the east-west ore-bearing zone of the Cadillac area, Pandora-Cadillac and Bouscadillac offer interesting possibilities both mine and marketwise.
Next to O'Brien and Thompson-Cadillac these properties have reached a more advanced stage of development than any other mines in the Cadillac district and are amply financed for extensive underground development.
Descriptive circulars on request
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*(No Personal Liability)*
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F. O. GALLAGHER,
Secretary-Treasurer.
PORCUPINE CROWN MINES, LTD.
Head Office: Suite 1113, 320 Bay St., Toronto

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Next to O'Brien and Thompson-Cadillac, Pandora-Cadillac has reached a more advanced stage of development than any other property in the Cadillac area. It is equipped with a complete mining plant. A shaft has been sunk to a depth of 500 feet and four levels opened up. Dewatering of the mine was recently completed, and an intensive underground development campaign is under way. Full details on application.
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GOLD MINES
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*—Northern Miner, July 30th.*
Cameron, Pointon & Merritt
MEMBERS: THE TORONTO STOCK EXCHANGE
44 Adelaide St. W., Toronto. WAverley 2961

## *Position of Chartered Banks of Canada as of June 30, 1936, Shown by Monthly Returns to Minister of Finance*

LIABILITIES

SUPPLEMENTARY INFORMATION

| NAME OF BANK | Notes in Circulation | Deposits by and Bal. Due to Dominion Government | Deposits by and Bal. Due to Provincial Governments | Advances from Bank of Canada | Demand Deposits in Canada | Savings Deposits in Canada | Deposits Elsewhere▲ | Bal. Due to other banks in Canada | Due to Banks in U.K. | Due to Banks Elsewhere | Bills Payable | Letters of Credit outstanding | Other Liabilities | Dividends Declared and unpaid | Reserve Fund | Capital Paid Up | Total Liabilities | Capital Authorised | Capital Subscribed | Last Dividend | *Loans to Directors and firms of which they are partners | Average Notes and deposits with Bank of Can. | Greatest amount of Notes in Circ. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | % | $ | $ | $ |
| Montreal | 29,853,416 | 22,652,829 | 8,721,113 | ........ | 169,497,202 | 411,614,147 | 69,062,497 | 2,079,737 | 3,242,426 | 5,502,974 | 120,360 | 6,946,020 | 1,981,526 | 17,895 | 38,000,000 | 36,000,000 | 805,292,150 | 50,000,000 | 36,000,000 | 8 | 930,658 | 84,276,944 | 31,041,508 |
| Nova Scotia | 10,157,236 | 2,282,543 | 1,137,984 | ........ | 37,510,459 | 144,461,563 | 42,139,822 | 3,072,248 | 552,020 | 2,690,134 | 55,860 | 8,137,142 | 118,152 | 361,750 | 24,000,000 | 12,000,000 | 288,676,921 | 15,000,000 | 12,000,000 | 12 | 2,048,586 | 17,340,000 | 10,470,508 |
| Toronto | 5,529,050 | 1,342,298 | 1,737,818 | ........ | 28,513,413 | 73,246,677 | 734,809 | 1,173,268 | 437,525 | 2,090,348 | 427,550 | 1,937,645 | ........ | 1,720 | 9,000,000 | 6,000,000 | 132,172,125 | 10,000,000 | 6,000,000 | 10 | 1,118,533 | 14,059,604 | 5,529,050 |
| Provinciale | 3,656,008 | 105,866 | 33,890 | ........ | 5,767,029 | 35,284,755 | 136,158 | 3,452 | ........ | 50,235 | ........ | 59,048 | 2,027 | 5,413 | 1,000,000 | 4,000,000 | 50,103,885 | 5,000,000 | 4,000,000 | 6 | 425,006 | 2,464,218 | 3,656,008 |
| Commerce | 25,510,910 | 4,291,342 | 10,499,237 | ........ | 131,323,354 | 300,225,384 | 67,865,222 | 2,530,733 | 2,313,941 | 7,138,825 | 51,764 | 17,478,328 | ........ | 15,584 | 20,000,000 | 30,000,000 | 619,244,629 | 50,000,000 | 30,000,000 | 8 | 3,562,812 | 38,545,066 | 25,510,910 |
| Royal | 31,303,203 | 5,955,096 | 10,812,680 | ........ | 158,768,262 | 294,434,338 | 202,499,276 | 217,519 | 760,014 | 11,363,537 | 295,898 | 21,516,334 | 54,542 | 29,722 | 20,000,000 | 35,000,000 | 793,010,426 | 50,000,000 | 35,000,000 | 8 | 1,731,290 | 40,409,705 | 31,303,203 |
| Dominion | 6,279,809 | 756,480 | 1,119,271 | ........ | 33,849,685 | 69,286,625 | 3,549,065 | 3,926,127 | 220,796 | 545,290 | ........ | 3,193,447 | 303,050 | 175,440 | 7,000,000 | 7,000,000 | 137,205,099 | 10,000,000 | 7,000,000 | 10 | 958,918 | 9,442,927 | 6,279,809 |
| Nationale | 4,367,744 | 715,134 | 2,547,679 | ........ | 24,002,552 | 88,709,331 | 1,523,128 | 1,003,461 | 25,101 | 439,042 | 61,131 | 712,006 | 178,416 | 9,074 | 5,000,000 | 7,000,000 | 136,293,804 | 10,000,000 | 7,000,000 | 8 | 203,532 | 6,990,345 | 4,367,744 |
| Imperial | 6,279,803 | 1,939,378 | 3,634,505 | ........ | 30,834,735 | 83,911,392 | 102,185 | 1,307,739 | 690,388 | 1,559,146 | ........ | 1,079,063 | ........ | 176,063 | 8,000,000 | 7,000,000 | 146,523,402 | 10,000,000 | 7,000,000 | 10 | 455,995 | 9,582,874 | 6,492,410 |
| Barclays (Canada) | 308,605 | 72,069 | 75 | ........ | 1,636,137 | 3,618,330 | 1,643,977 | 378,308 | 3,397,029 | 1,478,838 | ........ | 1,106,239 | ........ | ........ | 750,000 | 1,500,000 | 15,889,609 | 1,500,000 | 1,500,000 | ........ | 3,500 | 575,074 | 326,355 |
| Total | 123,245,784 | 40,113,035 | 40,244,252 | ........ | 621,702,828 | 1,504,792,542 | 389,256,139 | 15,692,592 | 11,648,240 | 32,858,378 | 1,012,563 | 62,165,272 | 2,637,713 | 792,661 | 132,750,000 | 145,500,000 | 3,124,412,050 | 211,500,000 | 145,500,000 | ........ | 11,438,839 | 222,686,757 | 124,977,519 |

▲ Of this amount, $33,411,118 represents deposits in Canada in currencies other than Canadian, carried under demand and savings deposits in Canada.

* And loans for which they are guarantors.

ASSETS

| NAME OF BANK | Gold and Subsidiary Coin Held in Canada | Gold and Subsidiary Coin Held Elsewhere | Notes of Bank of Canada | Deposits with Bank of Canada | Notes of Other Banks | Govt. and Bank Notes other than Canada | Cheques on other banks | Balances due from other banks in Canada | Due by banks in U.K. | Due by banks elsewhere | Govt. sec. short term | Govt. sec. long term | Canadian municipal securities | Public sec. other than Can. | Other bonds and stocks | Call loans in Canada | Call loans elsewhere | Current loans in Canada | Current loans elsewhere | Loans to provincial governments | Loans to municipalities | Non-current loans | Real estate other than Bank premises | Mortgages on real estate | Bank Premises | Deposit for note circulation | Other assets | Total assets |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ | $ |
| Montreal* | 1,256,058 | 2,787,335 | 11,839,929 | 74,369,506 | 1,926,543 | 540,479 | 38,670,603 | 7,082 | 3,493,489 | 16,844,038 | 166,833,772 | 193,740,647 | 35,289,937 | 7,841,489 | 30,913,057 | 5,310,945 | 23,608,569 | 122,215,786 | 11,408,722 | 2,709,734 | 37,849,811 | 3,270,205 | 685,304 | 868,171 | 14,300,000 | 1,737,019 | 417,913 | 807,682,073 |
| Nova Scotia | 352,125 | 1,732,487 | 2,853,634 | 14,275,140 | 598,467 | 3,397,396 | 10,772,688 | ........ | 201,370 | 7,202,989 | 33,639,593 | 64,147,159 | 13,517,637 | 743,012 | 13,095,133 | 8,984,849 | 2,307,488 | 67,083,937 | 16,969,262 | 377,198 | 7,307,714 | 866,704 | ........ | 100,368 | 6,882,139 | 575,313 | 2,821,036 | 289,542,004 |
| Toronto | 216,750 | ........ | 1,244,982 | 10,872,966 | 483,495 | 69,384 | 7,383,242 | ........ | 747,553 | 3,567,038 | 6,366,885 | 42,909,580 | 7,755,396 | 36,721 | 2,856,495 | 4,197,565 | ........ | 33,155,518 | ........ | ........ | 5,183,398 | 230,160 | ........ | 34,555 | 3,542,680 | 345,084 | ........ | 133,137,103 |
| Provinciale | 209,777 | ........ | 945,341 | 1,923,865 | 289,930 | 47,263 | 1,916,991 | 1,103,150 | 6,649 | 111,781 | 1,268,147 | 8,673,550 | 9,797,016 | ........ | 3,422,216 | 4,498,423 | ........ | 11,526,543 | ........ | ........ | 1,047,528 | 123,587 | 675,771 | 354,983 | 2,092,838 | 200,000 | 130,303 | 50,425,309 |
| Commerce† | 811,897 | 281,368 | 3,634,570 | 35,274,419 | 1,235,080 | 1,083,911 | 21,708,066 | 4,724 | 667,786 | 14,239,010 | 54,653,974 | 156,244,427 | 10,704,357 | 30,269,419 | 23,749,691 | 23,856,691 | 20,347,104 | 125,718,651 | 18,943,478 | 6,403,852 | 25,403,657 | 3,865,298 | 2,650,185 | 1,633,460 | 14,326,022 | 1,313,282 | 4,006,879 | 620,414,540 |
| Royal‡ | 1,341,842 | 6,592,699 | 5,505,568 | 34,975,224 | 1,615,976 | 19,672,233 | 25,893,067 | 355 | 16,558,968 | 20,729,004 | 101,903,965 | 130,314,524 | 10,183,805 | 14,461,579 | 31,478,484 | 21,932,722 | 14,110,905 | 175,307,449 | 101,561,324 | 974,793 | 10,109,927 | 3,911,837 | 2,956,977 | 626,454 | 15,867,000 | 1,648,122 | 3,537,173 | 795,488,323 |
| Dominion | 268,261 | 726 | 1,906,464 | 6,981,087 | 533,500 | 77,744 | 9,346,340 | ........ | 278,926 | 720,022 | 17,131,794 | 24,802,672 | 5,793,195 | 1,247,947 | 4,423,108 | 8,502,048 | 4,047,943 | 39,747,365 | 1,170,300 | ........ | 697,721 | 381,353 | 94,271 | 41,262 | 5,848,563 | 350,174 | 228,183 | 137,814,430 |
| Nationale§ | 488,819 | 825 | 2,437,977 | 5,756,203 | 803,155 | 83,244 | 5,452,121 | 648,791 | 300,063 | 1,357,795 | 11,960,766 | 19,225,109 | 21,643,179 | 305,268 | 9,298,487 | 5,064,276 | ........ | 33,008,199 | 68,387 | 68,456 | 9,060,784 | 343,422 | 1,539,233 | 373,793 | 6,104,012 | 391,921 | 217,026 | 136,808,330 |
| Imperial | 361,914 | ........ | 4,495,416 | 4,647,723 | 614,230 | 84,321 | 7,585,405 | 625,674 | 654,984 | 2,252,302 | 9,694,658 | 35,294,438 | 4,171,463 | ........ | 276,272 | 7,184,375 | ........ | 48,150,690 | ........ | 5,701,027 | 7,125,482 | 491,264 | 270,925 | 309,773 | 5,997,087 | 479,688 | 132,953 | 147,771,139 |
| Barclays (Can.) | 2,109 | ........ | 70,527 | 386,883 | 10,530 | 5,467 | 984,707 | 1,343,324 | 2,629,176 | 591,143 | 1,168,873 | 4,170,455 | 133,399 | ........ | 4,975 | 1,365,825 | ........ | 1,425,151 | ........ | ........ | ........ | 11,057 | ........ | ........ | 450,000 | 16,696 | ........ | 15,896,543 |
| Total | 5,274,353 | 6,416,571 | 34,934,408 | 189,463,016 | 8,110,906 | 25,061,442 | 129,713,230 | 3,733,100 | 25,538,964 | 67,615,122 | 404,622,427 | 679,522,561 | 118,989,384 | 54,905,435 | 110,117,918 | 90,917,719 | 64,422,009 | 657,429,289 | 150,026,473 | 16,235,060 | 103,786,022 | 13,494,887 | 8,872,566 | 4,632,758 | 75,410,341 | 7,057,299 | 11,491,965 | 3,134,974,894 |

* The business of the Bank in Paris, France, and in San Francisco, U.S.A., is carried on under the name of local incorporated companies and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the bank in Paris, and the assets and liabilities of the Royal Bank of Canada (France) are included in the above general statement.—Footnote to Royal Bank return.

§ The assets and liabilities of the Banque Canadienne Nationale, France, same being considered a branch operating as a subsidiary of the Banque Canadienne Nationale, are included in above return. — Footnote to Banque Canadienne Nationale return.

# Silver Strike In Manitoba Starts Rush

## Echimamish River Area Crowded With Prospectors

### BOBJO IS IN

From Our Own Correspondent

WINNIPEG.—Prospectors by the dozen have swarmed into the latest mineral discovery in Manitoba, that on the Echimamish River, 25 to 40 miles northeast of Norway House at the northeasterly end of Lake Winnipeg. More than 200 claims have been staked and the end is not yet. Generally speaking they are strung out along the river on both ends of the original discovery, made by Herb Cowen. It was actually made last year but not much work was done on it until this year and somewhat astonishing results were obtained.

Bobjo interests have taken up a considerable section of the original find and Pine Lake Gold Mines adjoins the Bobjo property at either end.

**Prospectors Swarm In**

A report emanating from Norway House says the river between that point and the new discovery is literally swarming with canoes and power boats of all descriptions. Tons of equipment are on the way in. J. E. R. Wood, Bobjo engineer and a small crew are already on the ground and a drilling crew and drill have also been sent in.

The more conservative reports say the vein runs to 20 ft. widths and gives fairly low gold values with zinc and silver, the latter running to 200 ounces to the ton. Other reports give gold values around $20 and silver running as high as 500 ounces to the ton. The report on the drilling, however, will tell the story and is being awaited with much interest. Norway House in the meantime has seen a revival of the activity which followed the start of Island Lake as a gold camp a few years ago. Island Lake, by the way, was also discovered by Cowan.

**Transportation Easy**

The Echimamish camp, however, is easy to reach. A moderate speed outboard motor on a freight canoe can make the trip in 4 or 5 hours. There are 2 small portages each about 400 feet in length.

Should drill cores substantiate the values found on the surface Manitoba will likely have another large and important camp.

# At the Mines

**Clark Gold Mines** — Drifting on the main vein at the 125-ft. level has been speadily progressing at this Kenora, Ont. property. The company plans to bag ore from a high grade lens discovered in the east drift.

• • •

**Keystone-Porcupine Gold Mines**—A crew is at present conducting a magnetic dip needle survey preparatory to diamond drilling campaign as recommended by W. C. Airth for the company's property in the Long Lac area of Ontario. Mr. Airth is shortly to make a study of the Porcupine holdings and dewatering operations are planned.

• • •

**Lake Maron Gold Mines** — At a meeting of directors, the sale of a block of 150,000 shares at 15 cents per share was accepted, and the option on 150,000 shares at 25 cents per share due July 25 has been extended until August 25. The option on 200,000 shares at 35 cents per share payable August 23 has been extended until September 25.

• • •

**Manitoba and Eastern**—Payment due July 30 under the underwriting and option agreement dated January 20, 1936, has been made, the Toronto Stock Exchange has been advised.

• • •

**Opemiska Mines**—The geophysical survey on this property in Levy Twp., Quebec, has been resumed under the direction of Dr. Basil Wilson, geologist for Hans Lundberg Ltd.

• • •

**Pandora Cadillac Gold Mines**—reports that dewatering has been completed and operations have been resumed on the south crosscut on the 250-ft. level. When operations stopped under former operators, this crosscut had reached a point about 300 ft. from the shaft and was calculated to be within 50 ft. of a new zone indicated by drilling some distance south on the underground workings. The company claims that width up to 12 ft. was encountered on the new area.

## St. Anthony Gold Claims Year's Ore

In a progress report to shareholders of St. Anthony Gold Mines, H. P. Bellingham, president, reports that one year's ore reserves are indicated underground, of which 7,000 tons is broken in the stopes. No estimate has been made of the area north of the shaft. On July 15, a complete change-over was made to the new incline working shaft. During this period, the mill was closed down from July 9 to 14 and overhauled. Milling operations were resumed July 15 and mill tonnage is being gradually increased to 125 tons per day.

## Tonawanda Concentrates On No. 9 Vein Showing

Reporting on the property of Tonawanda Mines, in Cadillac Township, Quebec, S. L. McDonald, consulting engineer, reports that present operations are confined to the new number 9 vein some 400 ft. north of previous developments. Mr. McDonald states that the vein lies in a well sheared zone, 8 ft. in width and consists of a series of quartz stringers, varying in width from one to 10 inches. He states that the zone is well mineralized and on surface is too much oxidized to determine its true importance. The vein has been exposed for a length of 600 ft. on the surface. A series of test pits is being put down along the vein.

Behind the Mining Boom

# *Sage Market Men Wary Of Sharp Rising Shares*

## Study of Past Records of Market Prodigies Tells the Story — Few Warrant Peak Prices

*The interest which the public is showing in the mining market makes timely, The Financial Post feels, a general discussion of the broad facts underlying boom conditions such as exist in this field today. This is the fourth of a series aimed at opening up such a discussion, and deals with those sudden spurts in the price of individual stocks which have been such a feature of the present boom.*

Looking back over the course of the mining market in the past 3 or 4 months, it is noticeable that there has been an unusual number of sharp, breath-taking spurts by individual stocks, the great mass of mining shares following more slowly.

It might even be argued that the present bull market was instigated by one or 2 junior prospects, whose dramatic drill results served the same rôle as the barker at a circus, attracting the attention of the public to the fabulous wonders within.

Once public attention is drawn to the mining market, it is almost inevitable that individual stocks should show sudden startling gains. The mining market, after all, represents a tremendous pool of speculative capital, controlled by many thousands of individuals.

At times like the present, when the market is booming, this pool of capital becomes 10 times more tremendous, the individuals controlling it 10 times more alert for the slightest indication of profit. In normal market times, if one particular property gets good results underground, or by drilling, the market action of the stock is inclined to be more or less in proportion to the property development. In times like the present, however, with the market arena filled to overflowing with alert speculative capital, the situation becomes greatly intensified. Each little bit of cheering news is magnified out of all proportion by profit-whetted speculators, and the market price of the stock is carried, by sheer momentum, to heights which cannot be basically justified by the property. The stock makes the headlines, and in swarms the public.

**Recent Examples**

The most recent example of such a condition is O'Brien Gold Mines, whose stock last week rose to $7 per share. O'Brien has, since its inception, always been, in the opinion of The Financial Post, a promising mine, and still is. A month or so ago, unconfirmed reports of high grade conditions underground started drifting down from the property. The officials have now confirmed the fact that this high grade has been encountered on the 5th, 6th, 7th, 8th and 9th levels. A week or so ago, J. L. Murray, president, stated: "Development work to date, however, indicates that this new ore, which has been definitely established for a depth of 525 ft., has added several million dollars to the future net profits of the O'Brien property."

Although one optimistic source has placed an arbitrary valuation on the new ore of $12 millions, most conservative commentators do not go nearly as high. The most sanguine estimate puts a value of $8 millions or so on O'Brien's total ore. But on the receipt of the news, the market jumped aboard the O'Brien wagon, and shot the stock up to $7 per share, which, with 3,250,000 shares out, puts a market valuation of over $22.7 millions on O'Brien's operations. At some future date, O'Brien may conceivably be worth $7 per share, but it is difficult to justify such a price today.

History has shown that a stock which has a sudden run, has almost inevitably, to face the painful return journey. There is no reason to believe that those stocks which have, during the current boom, taken sharp rises, will prove exceptions.

A glance at the record of some stocks which, in past periods of mining expansion have enjoyed startling runs, illustrates the danger of climbing aboard a stock which is behaving precociously on the market.

Take the case of Eldorado Gold Mines in 1933. This radium proposition opened the year 1933 with its stock about $1.35 per share. It was not then in production. About June, the market started to show signs of activity. In July the real run came, and in a few days the market lifted from about $3.50 per share to a high, on July 17, of $8.10 per share. Then the stock started on the return journey, and a month afterward was selling at less than $4 per share. By the end of the year, after production had started, the stock was selling at between $3.70 and $3.80 per share. The story is told in the following table:

**Eldorado Market Action**

| | 1933<br>$ |
|---|---|
| June 17 | 3.06 |
| July 17 | 8.10 |
| Aug. 17 | 4.00 |
| Subsequent low | 3.00 |

It was in the same year, 1933, that Pioneer Gold Mines, the Bridge River, B.C., producer staged its famous run. Pioneer opened the year fairly steadily at about $4 per share. In May the action started, and from a low of around $7.85 early in May, jumped to $16.10 per share on June 9, 1933. Here again, the Pioneer wagon was overcrowded, and somebody had to get off. They got off to such an extent that before the end of October, the stock was selling at about $8.75. The record is as follows:

**Pioneer Market Action**

| | 1933<br>$ |
|---|---|
| April 3 | 6.55 |
| May 9 | 10.30 |
| June 9 | 16.10 |
| July 8 | 14.40 |
| Aug. 9 | 12.25 |
| Subsequent low | 8.55 |

While the rise in God's Lake stock, prior to production, in 1934, was not perhaps quite as striking, the proportionate action was the same, and the decline, comparatively speaking, quite as striking. Here is the record:

**God's Lake Report**

| | 1934<br>$ |
|---|---|
| May 19 | 1.45 |
| June 19 | 1.75 |
| July 19 | 4.30 |
| Aug. 18 | 2.65 |
| Sept. 19 | 2.27 |
| Sub. low | 1.20 |

In all these companies, it is noticeable that the property has managed to survive the erratic action of its temperamental side-kick, the market. Most of them are now profitable producers. The point remains, however, that in none of these examples has the market enthusiasm, at the time the stock was spurting ahead, been justified. In every case, the market had, inevitably to return after one of these sudden rises. It is, unfortunately, true that in most cases, "insiders" are the first to desert such stocks, leaving the public to take the loss.

There is undoubtedly a psychological attraction in a sharply rising mining stock which causes many people to buy shares, often at, or near the peak of the spurt. At such times, the public would do well to recall the experience of other stocks, a few examples of which have been given. It is a slow process, this making of a mine, and a market which grows steadily with the property is, after all, the safest bet. There have been in the past many "market prodigies," but few mining ventures can escape the long slow climb to maturity.

# Aldermac Mines Starts Out Afresh

## New Company Will Exploit Sulphur — Stock Offered to Public

From Our Own Correspondent

MONTREAL.—W. C. Pitfield & Co. is making an offering of the capital stock of Aldermac Copper Corp. at 95 cents a share. Proceeds of any sales will not go into the treasury of the company.

Aldermac Copper was recently formed to take over Aldermac Mines. Shareholders of the old company are receiving one share in the new company for each 4 shares of Aldermac Mines held. Capital structure consists of approximately $450,000 funded debt and an authorized issue of 5 million common shares of no par value. Of the latter, 2,729,681 have been issued for the property, to discharge certain liabilities and to provide working capital. It is expected that 4,129,652 shares will be issued.

**Develop New Process**

The company has secured the rights to a new flotation process for producing a copper concentrate and pyrites as a by-product. The main constituents of this pyrites are sulphur and iron. A method has been developed for the recovery of the sulphur and a pilot plant has been in operation for the past month.

If this method proves successful, it is proposed to increase the capacity of the pilot plant to handle the concentrate from the existing 500 tons flotation concentrator. Aldermac has a contract for the sale of 100 tons of sulphur per day for 10 years and a smelter contract for its copper concentrate. On the basis of milling 500 tons of ore daily, it is estimated that net earnings, after all charges and depreciation, will be equal to between 10 and 11 cents a share on the more than 4 million shares expected to be outstanding.

**Wascanna Mines**—Reports dewatering has been completed to a point where only 2 ft. of water remain in the drift which is 500 ft. in length. H. T. Leslie, geologist, is making preparation to take a sampling crew to the property.

## Bankfield Gold Will Reorganize

Directors of Bankfield Gold Mines have authorized the reorganization of the company on the terms of the resolution passed at the special general meeting of shareholders of last December. This reorganization will be put into effect immediately. By the terms of this resolution, a new company with an authorized capitalization of 3 million shares is to be formed to acquire the assets of the present company. Present shareholders will receive 2 shares in the new company for each 3 now held.

The directors have also authorized the erection of a 100-ton mill at the property on Magnet Lake, 5 miles west of the Little Long Lac Mines.

The Financial Post is officially informed that present ore reserves are sufficient to ensure the operation of a 100-ton mill for a period of 2 years. Average grade of the ore after cutting high assay is about $21.35 per ton.

## Montague Gold Mines Stock Listed in Montreal

From Our Own Correspondent

MONTREAL. — Capital stock of Montague Gold Mines has been called for trading on the Montreal Curb Market. The company was incorporated in 1933 with an authorized capital of one million shares of $1 par value and of this number, 971,735 are outstanding, the balance remaining in the treasury.

Properties of the company are located in the Montague mining district, near Halifax, where the company operates a mine and mill producing gold bullion and gold arsenic concentrates.

## East Malartic Mines Increases Issued Stock

From Our Own Correspondent

MONTREAL.—An additional 10,000 shares of East Malartic Mines have been called for trading on the Montreal Curb Market. The total number of listed outstanding shares now is 1,480,121, in addition to which there are one million shares in escrow and 419,879 shares still under option.

# Harwood Drill Reveals Zone

## Well Mineralized Area Shows Width of 50 ft.

From Our Own Correspondent

SUDBURY.—No. 4 diamond drill hole recently completed to a depth of 421 ft. in the current programme at the property of Harwood Lake Mines, has encountered a well-mineralized zone showing a width in excess of 50 ft., according to D. D. Bennett, president of the company, who was in Sudbury a few days ago on his return from the property in the West River area.

In many sections of the balance of the core, mineralization was in evidence, it is stated, and assays from the core are now being made, and should be available soon. The drill outfit in the meantime has been moved to a new location approximately 2,000 ft. west of No. 1 hole where No. 5 hole is now being drilled.

Drill No. 3 completed early in July to its objective, the 300-ft. horizon, encountered the contact at a depth of 520 ft. and was continued to 575 ft. showing a core length of 55 ft., revealing the continuous existence of the fractured zone. Values encountered in this hole are apparently equal to those obtained in No. 2 at a similar depth, Mr. Bennett states. Assays are now being made of the core.

Drilling is being continued with the objective of proving the continuation of the zone across the property. The crew under the supervision of James F. Farquharson is working on a double shift.

# Offering is Made By Roeanor Gold

## Property Near Springer Group of Central Patricia

With property immediately south of Kaw-Crow Patricia Gold Mines and adjoining the Springer group of Central Patricia, Roeanor Gold Mines is currently offering 200,000 shares of stock at 30 cents per share through Angus & Co., members of The Toronto Stock Exchange.

Roeanor Gold has an authorized capitalization of 3 million shares $1 par value. Vendors' shares and shares previously sold total 1.5 million. After the present offering, 1.3 million shares will remain in the treasury. The property was formerly known as the Jeffries-Swarteman claims. Angus & Co. state that L. K. Fletcher, former general superintendent of Noranda Mines has assumed direction of the development of the property and will be president of the new company.

## Donwel Gold Reports Encouraging Samples

Channel sample results obtained by W. B. Turner from the property of Donwel Gold Ltd. in Hebecourt Township, Quebec, ranged from 8 to 35 ft. in width and have an average sample width of 20 ft. of $11.75 grade. Owing to the fact that the property is largely made up of low ground surface exploration and development work has, officials state, been difficult. In 2 places, however, along the shear zone, the company was able to cross trench at intervals sufficiently close to prove the existence of 400 ft. of vein material on one side of a marshy bay of Duparquet Lake and 150 ft. on the other, making a total length of 550 ft. The distance between would be from 1,200 to 1,400 ft. The company plans to drill in the near future to prove the length of the ore zones and values at depth.

## Sladen-Malartic Mines Issues Optioned Stock

From Our Own Correspondent

MONTREAL. — Sladen-Malartic Mines has notified the Montreal Curb Market that an additional 2,000 shares have been taken up under the terms of the option agreement dated November 5, 1935. This leaves a balance of 727,900 shares still under option.

## Thompson-Cadillac Adds to Listed Stock

From Our Own Correspondent

MONTREAL. — Montreal Curb Market has listed 120,000 additional shares of Thompson-Cadillac Mining Corp. There are outstanding now 1,470,916 shares, while 1,366,940 shares are in escrow and 148,000 shares remain under option.

# Mining Enquiries

### B. C. Mining

Why is it that British Columbia mines showing ore reserves many times better than Ontario mines sell at a fraction of the price quoted for the Ontario concerns? I am referring particularly to Congress. I should be much obliged if you would give me a brief analysis of Congress outlining its financial position, ore reserves and prospects.

The British Columbia mining market was several months behind the eastern market in the current mining boom. This probably caused some stocks to be out of line temporarily.

However, we cannot agree with your statement about ore reserves and prices.

In the case of Congress, the company has not, as far as we are aware, recently issued an official estimate of ore reserves, although the grade has been estimated at $7.10 per ton gold, 30 cents per ton silver and values of about $1.50 per ton in antimony.

One feature of the British Columbia mining situation which has in the past reacted against it marketwise, at least as far as eastern capital is concerned, was the large number of unscrupulous promotions foisted on the public. Government officials are now exercising stricter supervision in this regard, but it must be admitted that the Pacific province is, in the matter of regulatory legislation, some distance behind other provinces. That this situation will be remedied seems true, as a strong body of public opinion is growing up in the province and efforts are being bent toward keeping the mining industry clean.

As regards Congress Gold Mines, this company is now tunnelling and drilling on the third level and is opening up new ore. The company has an authorized capitalization of $2 millions in $1 par value shares. The current financial position is not published, but funds are being provided by the Sloan-Spencer interests, who have been taking up options on the stock at prices ranging from 17 to 30 cents per share, and expiring October 15, 1936.

### Domestic Natural Gas

Some time ago I bought some Domestic Natural Gas Syndicate No. 1 and No. 2 units. I understand that a company was formed a few months ago, but I have as yet not heard or received any notice that I can get my units exchanged for shares.

I would like to know if the units are transferable for shares at the present time, and if not, when will they be. Thanks for past favors.

Domestic Natural Gas Company was formed to succeed Domestic Gas Syndicate No. 1 and No. 2. At the present time, the company is attempting to raise finances to carry on development work, and officials inform us that it will probably be about 60 days before the units are transferable into shares. They will eventually be transferable, officials tell us, on the basis of 5 shares in Domestic Natural Gas Company for one unit in the No. 1 Syndicate, and 2 shares for one unit in the No. 2 Syndicate.

The address of this company is 68 King St. E., Toronto.

### Castle Trethewey

I have some bonds that are being called, and am considering investing this money in mining stocks. I had in mind Castle Trethewey. Would you give me an analysis of its position and prospects for appreciation in value?

Castle Trethewey Mines is now virtually a holding company, although the original silver property near Gowganda is an important potential source of income, depending on the course of silver prices.

One of the main investments of Castle Trethewey at the present time is in Omega Gold Mines—a new gold producer at Larder Lake. Castle Trethewey has advanced Omega approximately $652,504, which will be repaid out of first earnings. Castle Trethewey now owns 2,560,000 shares of Omega's 5 million share authorized capitalization.

When, last spring, silver prices took an upward trend, it was hoped that Castle Trethewey could reopen its Gowganda property. However, since that time silver prices have declined and there is no basis at the present time for predicting a resumption of operations at this property. However, the property is known to have substantial silver ore reserves and is being kept in shape so that, if silver prices do improve, there will be no difficulty in resuming production.

Current assets as at March 31, 1936, totalled $744,551 including cash, $42,405 and marketable securities of $702,060, with an actual market value at that time of $1,845,000. Current liabilities amounted to $353,648, of which $350,000 was bank loans payable in U. S. funds. Working capital, therefore, amounts to $390,903.

The management of Castle Trethewey Mines is virtually the same as the management of McIntyre Porcupine, the big gold producer in the Porcupine camp.

### Pioneer Gold

As a shareholder, I am rather alarmed at the action of Pioneer stock recently. What is behind this? Do you think my fears justified?

The situation at Pioneer Gold Mines of B. C. Limited during the last 6 months is largely responsible for the decline in the stock to its present price, but it nevertheless cannot be regarded as adverse.

A glance at profit figures of the company since January will probably give, superficially, the reason for the decline. A year ago the company was earning $200,000 and more per month after expenses, but before providing for taxes, depletion and depreciation. Last autumn the earnings dropped below the $200,000 mark and have since declined until in May and June of this year they were $131,000 in both months. Earnings for the next 2 or 3 months are also likely to be lower than those of a year ago and under the circumstances it is perhaps not surprising that the stock has depreciated marketwise.

On the other hand it must be recalled that more than a year ago exploration by the company below its fourteenth level produced strong indications that Pioneer's ore was to prove extremely rich and drifting subsequently carried out on the fifteenth, sixteenth, seventeenth and twentieth levels has partially substantiated earlier hopes. Last January talk was heard of a possible increase in milling capacity in order to accommodate the expected increase in ore tonnage to be developed at depth.

Recently, however, it was decided that nothing definite would be done as to an increase in mill capacity until considerably more work had been done in the area below the fourteenth level. Sorting of waste in the development ore now being hoisted is reported to be successful, but as long as operations are concentrated on the milling of development ore, mill heads and earnings cannot be expected to equal those of last year. The present situation, in brief, is probably a temporary one, and it appears that the company is more anxious to develop its property at depth and assure longer mine life than to boost earnings figures by treatment of high grade ore only.

We do not regard the situation at Pioneer as adverse since the milling of development ore is primarily the reason for a lower profit figure at the moment. It remains to be seen, however, whether development of deep seated ore at the property will fulfill the highly optimistic expectations of the mining market a year ago. It may be, indeed, that the stock is more accurately valued by the market at the present time than was the case last year.

### Hudson Patricia

They tell me that Hudson Patricia Gold Mines is an interesting investment. Please advise.

Hudson Patricia Gold Mines is developing a gold prospect in the Clearwater Lake area in the Patricia district of Ontario.

Hudson Patricia recently came into production, and the mill is now handling 50 tons of ore per day. Development above the 200-foot level is said to have indicated 25,600 tons of ore averaging $9.80 per ton. This is sufficient ore to supply the mill for almost a year and a half. Hudson Patricia does not at the present time have the earmarks of a large-scale producer, and it remains to be seen how long the company can operate profitably with present tonnage. One cannot estimate this at the present time because of the fact that costs will not be definitely known until after the mill has been in operation for some time. However, it is probably a speculation.

### Laguna Gold

I would like some information regarding ore reserves, backing, prospects, etc., of Laguna Gold Mines.

Laguna Gold Mines is controlled by Mining Corporation of Canada. The property consists of over 400 acres on the east shore of Herb Lake, Manitoba.

Recently the company ordered equipment for the new 50-ton mill to be erected at this property. It is expected this mill should be in production some time before the end of the year. The most recent estimate of ore reserves was made in March of this year, when it was stated that probable and positive ore totalled 30,806 tons, averaging $22.05 gold per ton, of which 22,996 tons are positive ore, averaging $23.80 gold per ton, and 7,810 tons probable ore, grading $16.45. In addition, there is a surface dump containing 4,200 tons grading 0.27 oz. per ton. On the basis of a 50 tons per day mill, this reserve would be sufficient to supply the mill for nearly 2 years. This, of course, is not a particularly large reserve, but apparently the directors feel that a small mill such as is planned would help finance further development work. Directors of this company are substantially the same as of Mining Corporation of Canada.

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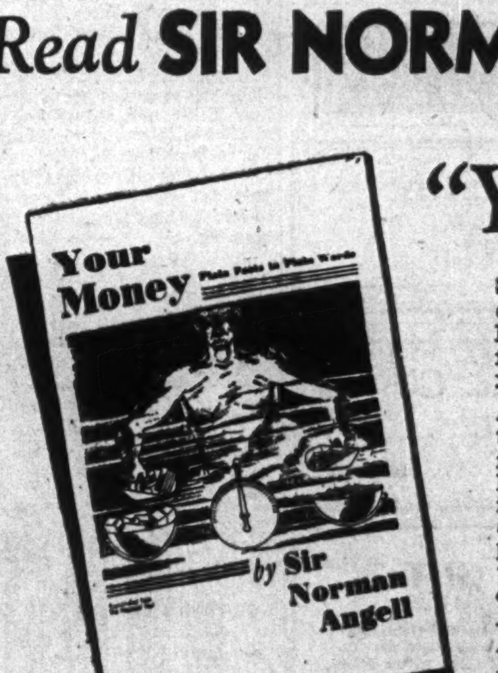

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# Will High Bond Prices Last?

## Influences to Maintain Present High Prices and Low Interest Rates Appear Dominant—Investor Faces Problem of Higher Risks to Maintain Income

In the past month prices for prime Canadian government bonds have reached new record high points. Interest yields are the lowest recorded.

High quality corporation bonds are also selling at record levels, not only above 100 but above redemption prices in many cases.

While highest quality securities are making new record peaks, it must not be forgotten that important sections of the Canadian investment field are in comparative disfavor; that the highest prices apply only to the select portion of the bond market.

In striking contrast, quotations for hundreds of millions of bonds show heavy discounts. This applies to most western provincial bonds, to defaulted Ontario municipals, and to numerous corporation securities, including bonds of newsprint companies, of companies dependent on agriculture, and of organizations in general where the credit risk seems high.

### Questions for Investor

The peculiarities of these bond market levels raise important questions for the investor, foremost among them being these:

1. How long will high prices and low interest returns prevail for prime bonds?
2. What will the consequences of these high prices be for the investor?
3. What safeguards can be adopted against a change in the high market level; for instance, against lower prices or against a rise in the cost of living?
4. Will the host of depreciated securities eventually come back close to par?

### Basic Influences

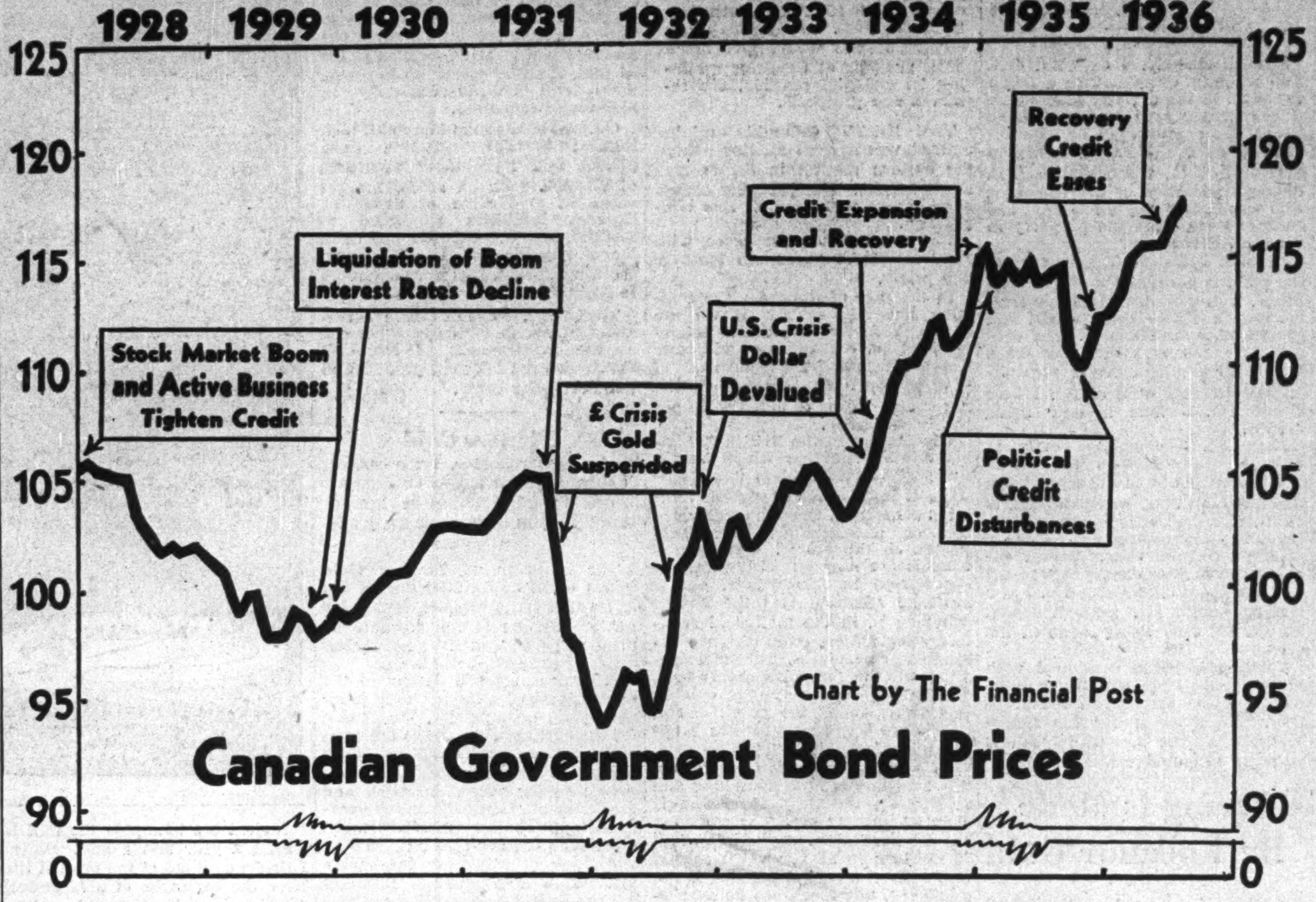
In order to get a clear picture of the possibilities ahead of the bond market, it is necessary to examine the influences that have brought about present conditions.

Prices for bonds, as for other commodities, are influenced primarily by the supply available and by the demand for them. These influences, in turn, are motivated by competition, exchange rates, economic conditions, and particularly by the character of the risk in the individual security and the situation of money markets.

A combination of these factors is responsible for the high levels attained by prime bonds in Canada. The influences that have raised gilt-edged government bonds are also largely responsible for the rise of corporation issues.

### Credit Expansion Abroad

First among these, deliberate credit expansion in both Great Britain and the United States has reduced interest rates on bonds in those countries. Banks abroad have been supplied with cash so as to impel them to invest in bonds, thus raising bond prices and reducing yields.



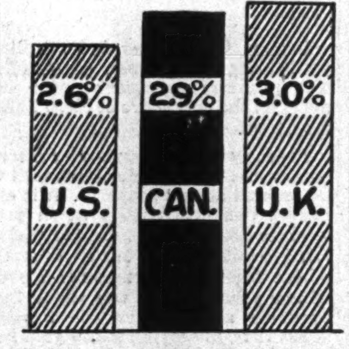
### BOND PRICES CLIMB TO RECORD HEIGHTS

This descriptive chart shows the course of prices for government bonds from the 1928-29 boom through the depression period to recovery. The principal trend since late 1929 has been upward although there have been serious interruptions due chiefly to extraordinary shocks in British, American and Canadian financial conditions.

The major problem for the bondholder arising from the decline of interest rates is whether to take the profit on high grade government bonds and put the proceeds into riskier securities. Many are doing it.

It is hardly probable that bond prices could have risen as they have in Canada without similar advances in both Great Britain and the United States.

The close inter-relationship of interest rates on long-term government bonds in the 3 markets is indicated in the accompanying chart.



Rates of exchange between the pound sterling and the U. S. and Canadian dollars have also contributed to the rise of Canadian bonds. The comparative stability of the pound around $5 and of the U. S. dollar at $1 in Canada has made it possible for low interest rates outside Canada to contribute to a lowering of rates here.

### Inflow of Funds

For example, when the pound was at $4, it was costing the British investor £25 to buy $100 of Canadian 4½% bonds. With sterling at $5, and the price of the bonds in Canada at 113, the cost to the British investor is less than £23 per $100. The opposite effect, it may be recalled, was demonstrated in November, 1933, when a fall of the U. S. dollar to about 96 cents in Canada brought a sudden flow of bond sales from New York and promptly knocked down Canadian bond prices.

The rise of sterling in 1933 brought millions of British money into Canadian bonds, raising prices. Recently this influx has dwindled due largely to nervousness over repudiatory acts in Canada. Meanwhile, however, there has been an inflow of U. S. investment, as shown below:

*Purchases and Sales of Securities ($ Millions)

| Year | U. S. bought (+) sold (—) | U. K. bought (+) sold (—) | Total |
|---|---|---|---|
| | $ | $ | $ |
| 1936† | +26.9 | + 8.1 | +34.5 |
| 1935 | +67.6 | —13.1 | +51.1 |
| 1934 | —68.2 | +78.4 | + 8.9 |
| 1933 | + 2.7 | +53.2 | +51.0 |

* Calculated by The Financial Post from Dominion Bureau reports.
† First 5 months.

These funds from outside the country do not include purchases of some major government loans. All this influx has contributed to the rise of Canadian bonds, and it is based partly on the low interest rates created in Great Britain and the United States but also on the levelling out of exchange rates which made returns on Canadian bonds comparatively attractive to outside investors.

### Canadian Bank Credit

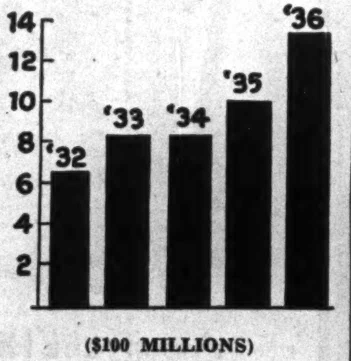
The foregoing factors have been important in raising bond prices, but another major influence has been expansion of bank credit within Canada, coupled with reduced commercial borrowings from the banks.

In 1932 the Dominion government was instrumental in expanding the cash of the chartered banks by $35 millions, and in 1934 this expansion was carried still further. Consequently the banks were placed in a position where they had little choice but to buy bonds in large quantities to employ the money.

Then came rapid industrial recovery with improved corporation earnings. As is characteristic of this stage of recovery from depression, one of the first things corporations started to do was pay off bank loans. There is still an inclination for this to continue. Consequently, repayment of borrowings also impelled banks to buy bonds with their increased cash.

### Effects Depicted

The combined effect of these developments has been that in 4 years the banks among them have purchased nearly $700 millions of bonds, or an amount greater than the total holdings in 1932. This is shown in the chart and table herewith:



($100 MILLIONS)

| May 31: | Govt. | Municipal, Public | Other | Total |
|---|---|---|---|---|
| | $ | $ | $ | $ |
| 1932 | 465.5 | 140.8 | 57.1 | 663.4 |
| 1933 | 631.1 | 162.1 | 43.0 | 836.2 |
| 1934 | 646.1 | 141.0 | 43.0 | 830.1 |
| 1935 | 835.4 | 129.5 | 39.6 | 1,004.5 |
| 1936 | 1,081.2 | 160.8 | 103.2 | 1,345.2 |

Coupled with these bank purchases, the interest rate on savings deposits has been lowered by stages to 1½%, encouraging depositors themselves to invest in bonds or other securities.

Finally, insurance companies have bought large quantities of government bonds because of the scarcity of more profitable investments and particularly because of the dearth of satisfactory first mortgage loans.

Obviously, all these developments have contributed to an increase in the demand for high quality bonds. And the resultant rise of Dominion bonds has naturally raised quotations for select provincial, municipal and corporation issues.

### Supplies of Bonds

What of the supply of bonds? Where have the securities been coming from that have been purchased so freely?

The major suppliers of new securities in recent years have been governments that have borrowed heavily to meet the excesses of expenditures over revenues. In the depression the combined deficits of federal, provincial and municipal governments appear to have run as high as $500 millions in a single year. The increase in direct and indirect debt of all Canadian governments in the last 5 years appears to be about $1,500 millions. The greater part of this is represented by issues of new bonds.

### Supplies Dwindle

This, then, is the major source of supplies of new bonds on the market. However, higher taxes and increased revenues appear to have brought the rate of debt increase below $200 millions annually.

New borrowings by corporations are of small amount. For instance, in the first 7 months this year, total corporation borrowing by sale of bonds was $167.7 millions, according to Wood, Gundy & Co., but only $9.5 millions of this was new borrowing. The rest was simply refunding which did not increase the total volume of bonds on the market.

New supplies of bonds coming on the market may continue to dwindle if governments cease borrowing and put their financial houses in order. The only other major source of supplies in sight is industrial borrowing, and it seems to be distant. Refinancing of bonds will probably continue, but the corporations that are so busy that they require plant expansion are mostly able to finance themselves. If recovery continues, however, issues of new corporation bonds may eventually increase.

### Influences Ahead

New influences, or changes in the factors that have raised bonds to record prices will undoubtedly be among the major determinants of prices in the future.

Among developments that would tend to weaken prices for high grade bonds are these:

First, an upset of foreign exchange stability might bring weakness into bonds. Although this is always a possibility, it does not seem likely to occur in the immediate future even though the stability of the French franc is questionable.

Second, returning prosperity may well cause an increase in borrowing, and although this may take a considerable time, the eventual result may be to bring high grade bonds down slightly from their peak levels.

Third, the unsatisfactory budget position of Canadian governments is a threat to bond market stability and has already undermined prices for most western bonds, indicating the dangerous possibilities.

Fourth, some seemingly remote international disturbance, such as war, would undoubtedly upset the bond market and eventually bring higher interest rates.

### Appraising Possibilities

Barring these possibilities, there are reasons to believe that the investor must look forward to low interest rates and high prices for gilt-edged bonds for some time.

For one thing, governments continue to need money and therefore have reason to encourage continued low interest rates. It is true that there has been some indication of higher interest rates in Great Britain because of the demand for money in building and industry. There is no sign, however, that government and banking authorities are inclined to take steps that would deliberately weaken the British gilt-edged securities, but rather they may endeavor to sustain prices.

In Canada there is the fact that new borrowings are declining, which makes for maintenance of high bond prices. In the long run, of course, increasing bond sales and bank borrowings should develop, and would tend to bring bond prices down from their highest levels.

### Prospects and Consequences

Even though the highest quality bonds were to decline moderately from their recent highest points, interest rates would still be at a low level. They would still allow continuation of the recent flood of refundings. Consequently, a considerable period of high bond prices and low interest rates means that the investor will find his high coupon issues being redeemed and he will face the choice of taking a reduced coupon rate or of investing in some more risky security.

The fact that low interest rates on the best government bonds are unsatisfactory to many investors is indicated by the still lower rates on short term issues. Bond buyers are going into shorter term issues because they feel they want to have their funds returned in case they can invest to better advantage a few years hence. In other words, the high price of short term bonds in comparison with longer term issues signifies scepticism of present high bond prices.

### Avenues of Escape

Investment in short term bonds is one way of avoiding loss from a rise in interest rates. For the ordinary investor, however, it is not entirely satisfactory; first, because the returns on short term issues are very low, second, because he may find interest rates are still low when his funds are returned.

The investor wants to protect himself not only against a fall in bond prices arising from rising interest rates, but also against the possibility of an increase in the cost of living. It is a difficult thing to do. There are very few avenues of escape and most of them involve some increase in risk.

One way out is to exchange government bonds for convertible corporation bonds such as C.P.R. 3½'s of 1951, or Canadian Canners 4's of 1951 although the Canners conversion feature is not very promising at present or high quality corporation bonds paying 4 to 4½% can be purchased. Another way of keeping income higher than in government bonds is to invest in some of the 5% preferred stocks that have recently been marketed or to buy non-callable or convertible preferred shares.

Otherwise the investor hasn't much choice except bonds or preferred shares that may be called at any time, or common stocks and depreciated bonds. For the investor who is accustomed to placing his funds in bonds, the possibilities in some of the depreciated issues may be attractive, provided there is willingness to recognize the risks involved.

Bonds of the 4 western provinces offer much higher yields than are available on other government securities. Some defaulted Ontario municipal securities offer substantial income. The question of whether depreciated bonds will come back to par depends to some extent on whether economic recovery outruns the financial difficulties of the governments concerned. And even if recovery is only modest, there remains the question of whether Alberta 6% bonds at 70, even with interest cut to 3%, will not turn out fairly well in the long run.

While opinion seems strong that interest rates will stay low and bond prices fairly high for some time, there are possibilities that a gradual recession of prices will eventually set in when recovery causes an increase in borrowings. Meanwhile the investor will find it necessary to increase his risk to some extent to increase or to maintain income.

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# Total Bond Financing Heavy But New Borrowings Small

Offerings of government and municipal bonds totalled $56.7 millions in July, according to Wood, Gundy & Co., compared with $60.1 millions in the 1935 month.

Most of the total was refinancing of Dominion treasury bills and only $1,442,152 of new borrowing was involved.

For the 7 months ended July 31, total government and municipal bonds offerings totalled $663.9 millions, of which only $57.7 millions represented new borrowing. In the 1935 period, total financing was $322.4 millions but figures on the proportion of new borrowings are not available.

### Corporate Offerings

Corporation bond offerings for the 7 months totalled $167.7 millions compared with $18.5 millions in the 1935 period. However, most of this was also refunding as new borrowing this year has totalled only $9.5 millions.

Figures are now compiled to show the amount of refunding and new borrowing. Comparisons of 1936 with 1935 totals also appear in the following tabulation:

Bond Offerings for Seven Months Ended July 31

| | 1936 Refunding | 1936 New Money | 1936 | 1935 |
|---|---|---|---|---|
| **Government & Municipal** | $ | $ | $ | $ |
| Dominion government | 281,700,900 | 20,000,000 | 301,700,900 | 171,700,000 |
| Dominion treasury bills | 290,000,000 | 5,000,000 | 295,000,000 | 50,000,000 |
| Provincial | 22,671,200 | 14,804,000 | 37,475,200 | 73,511,400 |
| Ontario municipal | 100,000 | 10,473,315 | 10,573,315 | 5,038,073 |
| Eastern municipal | 11,716,000 | 6,877,200 | 18,593,200 | 20,758,200 |
| Western municipal | ...... | 541,000 | 541,000 | 1,376,500 |
| Totals | 606,188,100 | 57,695,515 | 663,883,615 | 322,384,173 |
| | 1936 Refunding | 1936 New Money | 1936 | 1935 |
| **Corporation** | $ | $ | $ | $ |
| Public utility | 62,484,424 | 3,083,000 | 65,567,424 | 5,738,000 |
| Railway | 50,000,000 | 3,000,000 | 53,000,000 | 260,000 |
| Industrial | 45,713,800 | 3,424,500 | 49,138,300 | 12,527,000 |
| Totals | 158,198,224 | 9,507,500 | 167,705,724 | 18,525,000 |

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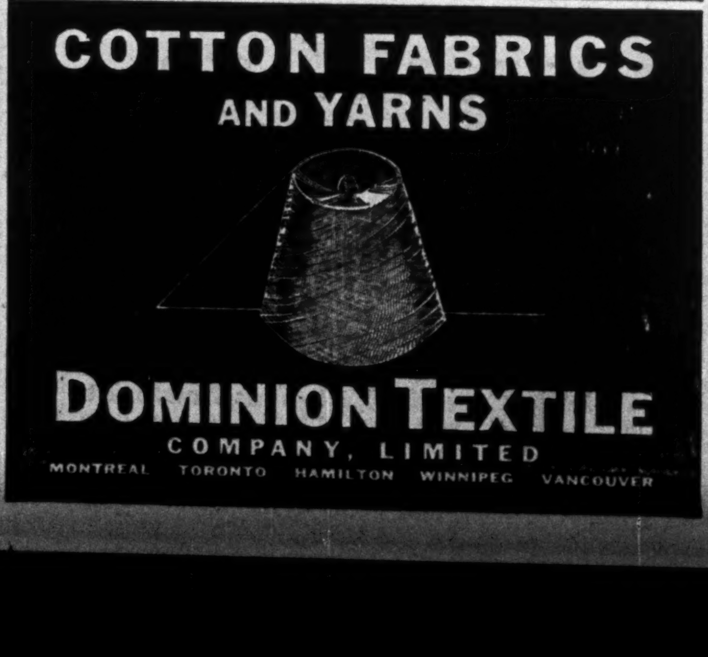
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